

Q1

News for our investors

FINANCIAL REPORT ON THE FIRST QUARTER OF THE 2016 ABBREVIATED FINANCIAL YEAR

1 May 2016 – 31 July 2016

Stable operating results

Focus on quality and efficiency improvements

Brand policy as a competitive advantage

Roll-out of the myhive international office concept

Closing for the 26% acquisition of CA Immo

Basis for the creation of a leading European property company

“Our focus remains on quality and efficiency improvements, the strengthening of ties with existing tenants and the acquisition of new tenants as well as the optimisation of our offering.”

Oliver Schumy, CEO

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KEY FIGURES

Earnings Data

		Q1 2016A	Q1 2015/16	Change in %
Rental income	in MEUR	76.8	82.2	-6.5%
Results of asset management	in MEUR	54.5	52.5	3.9%
Results of property sales	in MEUR	0.7	1.0	-34.2%
Results of property development	in MEUR	-1.4	-1.9	30.2%
Results of operations	in MEUR	45.3	46.9	-3.6%
Revaluations	in MEUR	-8.6	241.1	n.a.
EBIT	in MEUR	32.8	286.4	-88.6%
Financial results	in MEUR	10.9	-106.8	n.a.
EBT	in MEUR	43.7	179.6	-75.7%
Net profit or loss	in MEUR	21.9	115.0	-81.0%
FFO 1 (excl. results of property sales)	in MEUR	9.3	7.9	17.3%
FFO 2 (incl. results of property sales)	in MEUR	10.0	9.0	11.4%

Asset Data

		31 7 2016	30 4 2016	Change in %
Balance sheet total	in MEUR	7,385.4	7,246.8	1.9%
Equity as % of the balance sheet total	in %	39.4%	39.8%	n.a.
Net financial liabilities	in MEUR	2,751.8	3,088.9	-10.9%
Cash and cash equivalents	in MEUR	795.2	371.6	≥ +100.0%
Loan to value ratio (net)	in %	46.2%	49.4%	n.a.
Gearing	in %	89.1%	101.3%	n.a.
Average interest rate on financial liabilities, incl. hedging	in %	3.9%	3.9%	n.a.
Average term of financial liabilities	in years	3.8	3.8	0.0%

Property Data

		31 7 2016	30 4 2016	Change in %
Total number of properties		361	385	-6.2%
Lettable space	in sqm	2,187,976	2,241,587	-2.4%
Occupancy rate	in %	86.4%	86.3%	n.a.
Gross return	in %	6.2%	6.2%	n.a.
Occupancy-adjusted gross return	in %	7.2%	7.2%	n.a.
Portfolio value	in MEUR	5,405.0	5,484.0	-1.4%
Thereof investment property	in MEUR	4,874.5	4,961.8	-1.8%
Thereof property under construction	in MEUR	422.8	410.0	3.1%
Thereof real estate inventory	in MEUR	107.7	112.1	-4.0%
Unencumbered investment property	in MEUR	799.8	871.4	-8.2%

EPRA Data

		31 7 2016	30 4 2016	Change in %
EPRA Net Asset Value	in MEUR	3,297.6	3,270.1	0.8%
EPRA Net Asset Value per share	in EUR	3.41	3.39	0.8%
EPRA Triple Net Asset Value	in MEUR	3,195.6	3,204.3	-0.3%
EPRA Triple Net Asset Value per share	in EUR	3.31	3.32	-0.3%

		31 7 2016	31 7 2015	Change in %
EPRA earnings	in MEUR	46.3	-100.7	n.a.
EPRA earnings per share	in EUR	0.05	-0.09	n.a.
EPRA earnings after company-specific adjustments	in MEUR	36.5	-19.6	n.a.
EPRA earnings per share after company-specific adjustments	in EUR	0.04	-0.01	n.a.
EPRA Net Initial Yield	in %	5.3%	4.7%	n.a.

Stock Exchange Data

		31 7 2016	30 4 2016	Change in %
Book value per share	in EUR	3.02	2.99	1.0%
Share price at end of period	in EUR	1.95	2.06	-5.4%
Discount of share price to diluted NAV per share	in %	42.9%	39.2%	n.a.
Number of shares		975,955,651	975,955,651	0.0%
Number of treasury shares		10,000,000	10,000,000	0.0%
Market capitalisation at end of period	in MEUR	1,901.2	2,009.5	-5.4%

		31 7 2016	31 7 2015	Change in %
Earnings per share	in EUR	0.02	0.12	-81.4%
Earnings per share (diluted)	in EUR	0.02	0.11	-80.0%

The plus and minus signs assigned to the changes reflect the business point of view: improvements are shown with a plus sign (+), deteriorations with a minus sign (-). Very high positive or negative per cent changes are reported as $\geq +100\%$ or $\leq -100\%$. The designation "not applicable" (n.a.) is used when there is a change in the sign (i.e. from plus to minus or from minus to plus) and for changes in percentage rates.



Oliver Schumy

Dear Shareholders,

Improvements in quality and efficiency, the strengthening of ties with current tenants and the acquisition of new tenants as well as the optimisation of our offering remained the focal points for our operating business in the first quarter of the abbreviated 2016 financial year.

Our activities in the retail sector included the opening of three further STOP SHOPS since the beginning of May. The retail parks in the Polish cities of Świnoujście and Szczytno and in the Serbian city of Valjevo have roughly 13,500 sqm of rental space in total and are fully occupied. The number of STOP SHOPS has now grown to 58 in seven Central and East European countries. We plan to double this retail park portfolio over the coming five years and will then be the leading retail park operator in the region with over 100 locations.

Based on the very positive experience with our STOP SHOP and VIVO! retail brands, we have been working intensively for several months on the design of an international office brand. This concept also reflects the suggestions and requirements identified in a tenant survey. myhive, our new office brand, was introduced in mid-September and stands for a friendly and lively environment combined with optimal infrastructure and services. The buildings are characterised by an inviting and lively atmosphere, attentive and helpful staff, easy accessibility and numerous services. Additionally, standardisation will result in cost advantages for this business.

The first phase will involve the roll-out of myhive to 20 IMMOFINANZ office buildings in six countries: Austria, Germany, Czech Republic, Poland, Romania and Hungary. In Vienna, the *Vienna Twin Tower* will be branded as myhive by the end of 2016. This should increase the attractiveness of the properties for our tenants and lead to a further increase in occupancy.

We also sold 18.5 million BUWOG shares for approx. EUR 360 million during the first quarter, which represented the remaining freely available part of our investment. That was the final step in the plans we announced at the time of the BUWOG spin-off in April 2014 to withdraw from our former residential property subsidiary over the medium-term. We still hold nearly 10 million BUWOG shares, which are reserved for the proportion servicing of our two IMMOFINANZ convertible bonds that are scheduled to mature in 2017 and 2018.

Shortly after the end of the reporting period at the beginning of August, we finalised the acquisition of approx. 26% and four registered shares of CA Immobilien Anlagen AG. The closing followed the fulfilment of all conditions precedent within a very short time and the release of the transaction by the antitrust authorities in six countries. This acquisition creates the basis for the merger of IMMOFINANZ and CA Immo into one of the leading real estate companies in Europe.

The coming months will involve extensive work, together with CA Immo, on the details of the planned merger. The separation of our Russian portfolio is also in preparation. We intend to spin off or sell our five Moscow shopping centers prior to the merger, since they are characterised by distinct market dynamics and a different risk profile.

We look forward to continuing this course in your interests with our full strength, commitment and passion.

Vienna, 19 September 2016

Oliver Schumy
CEO

Our Company at a Glance

**Focus on
office and retail
properties in eight
core markets**

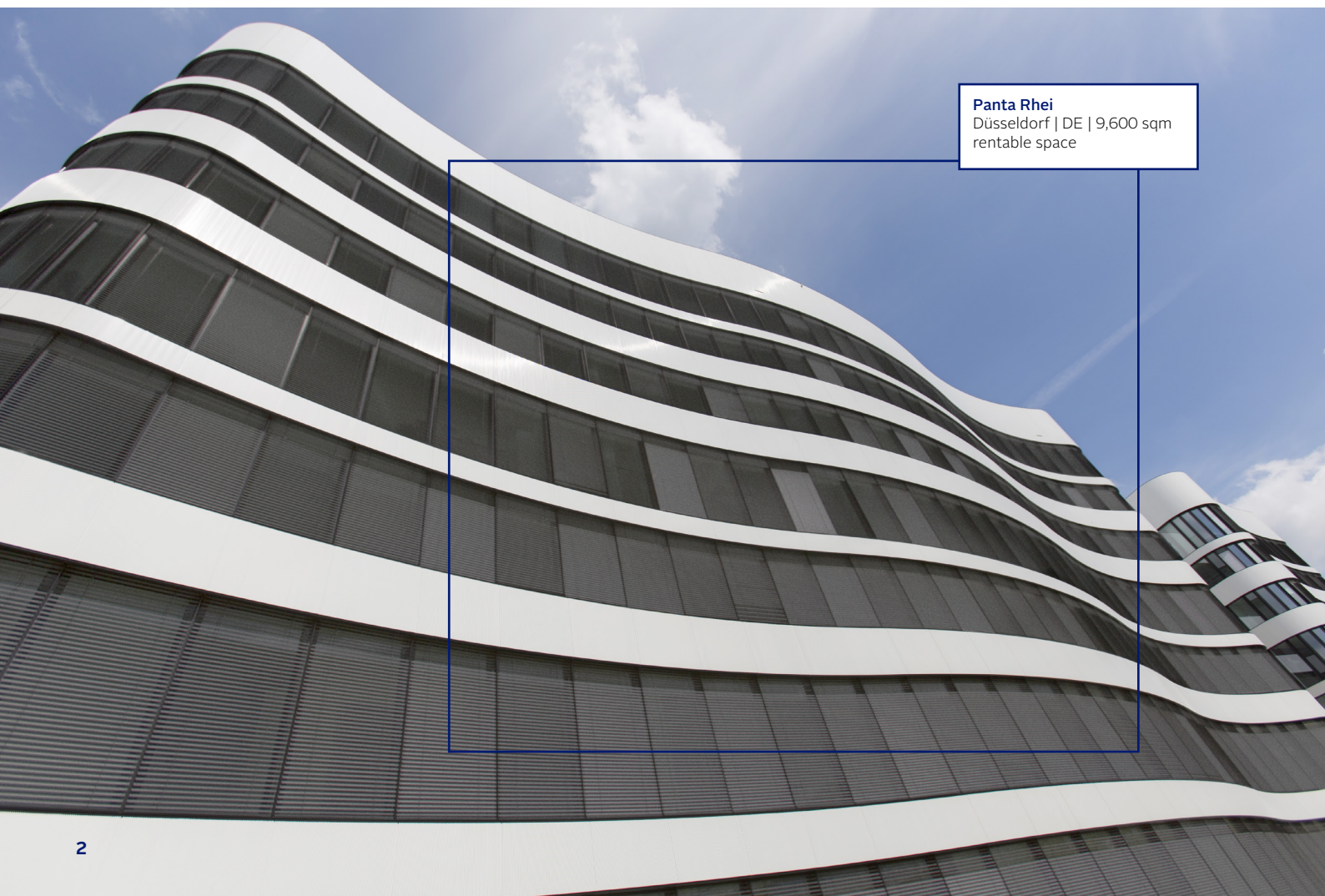
Our portfolio includes office and retail properties at the best locations in the most promising countries. In addition to the professional management of these properties, we focus on value-creating growth through our own development projects and acquisitions and on the further optimisation of the portfolio structure – always with the goal of strengthening our standing investments and sustainable cash flow.

Eight core markets form the geographical focus of our business activities: Austria, Germany, Poland, Czech Republic, Slovakia, Romania, Hungary and Moscow. Our local teams in each of the core markets are the guarantee for a strong service orientation and customer satisfaction.

The IMMOFINANZ share has traded on the Vienna Stock Exchange since December 1994 and on the Warsaw Stock Exchange since May 2013.

Key data on the property portfolio		31 July 2016	30 April 2016	Change in %
Total number of properties		361	385	-6.2%
Rentable space	in sqm	2,187,976	2,241,587	-2.4%
Occupancy rate	in %	86.4%	86.3%	n.a.
Gross return on the standing investments	in %	6.2%	6.2%	n.a.
Gross return on the standing investments (occupancy-adjusted)	in %	7.2%	7.2%	n.a.
Portfolio value ¹	in MEUR	5,405	5,484	-1.4%
Thereof office	in MEUR	2,614	2,707	-3.5%
Thereof retail	in MEUR	2,510	2,472	1.5%
Thereof other	in MEUR	281	305	-7.7%

1 Including properties held for sale



Panta Rhei
Düsseldorf | DE | 9,600 sqm
rentable space

KEY DATA ON THE STANDING INVESTMENT PORTFOLIO BY CORE MARKET AS OF 31 JULY 2016

Share of the carrying amount of the standing investments (EUR 4,598.7 million)

25.1%
RUSSIA

12.8%
POLAND

1.8%
GERMANY

8.7%
CZECH REPUBLIC

3.6%
SLOVAKIA

22.5%
AUSTRIA

9.6%
HUNGARY

13.8%
ROMANIA

RUSSIA	25.1%
Number of properties	5
Carrying amount in MEUR	1,152.2
Rentable space in sqm	278,446
Occupancy rate	81.0%
Rental income Q1 2016A (MEUR)	18.3
Gross return in %	6.4%

AUSTRIA	22.5%
Number of properties	131
Carrying amount in MEUR	1,035.8
Rentable space in sqm	539,903
Occupancy rate	85.9%
Rental income Q1 2016A (MEUR)	14.7
Gross return in %	5.7%

ROMANIA	13.8%
Number of properties	19
Carrying amount in MEUR	636.4
Rentable space in sqm	344,978
Occupancy rate	90.6%
Rental income Q1 2016A (MEUR)	11.3
Gross return in %	7.1%

POLAND	12.8%
Number of properties	18
Carrying amount in MEUR	589.1
Rentable space in sqm	281,005
Occupancy rate	90.9%
Rental income Q1 2016A (MEUR)	8.5
Gross return in %	5.8%

HUNGARY	9.6%
Number of properties	25
Carrying amount in MEUR	441.9
Rentable space in sqm	290,933
Occupancy rate	85.8%
Rental income Q1 2016A (MEUR)	6.5
Gross return in %	5.9%

CZECH REPUBLIC	8.7%
Number of properties	21
Carrying amount in MEUR	398.5
Rentable space in sqm	252,251
Occupancy rate	83.0%
Rental income Q1 2016A (MEUR)	6.1
Gross return in %	6.1%

SLOVAKIA	3.6%
Number of properties	12
Carrying amount in MEUR	166.3
Rentable space in sqm	90,823
Occupancy rate	98.2%
Rental income Q1 2016A (MEUR)	3.3
Gross return in %	7.9%

GERMANY	1.8%
Number of properties	5
Carrying amount in MEUR	83.7
Rentable space in sqm	34,062
Occupancy rate	79.5%
Rental income Q1 2016A (MEUR)	0.9
Gross return in %	4.5%

NON-CORE COUNTRIES	2.1%
Number of properties	10
Carrying amount in MEUR	94.8
Rentable space in sqm	75,574
Occupancy rate	77.6%
Rental income Q1 2016A (MEUR)	1.8
Gross return in %	7.4%

IMMOFINANZ	100%
Number of properties	246
Carrying amount in MEUR	4,598.7
Rentable space in sqm	2,187,976
Occupancy rate	86.4%
Rental income Q1 2016A (MEUR)	71.4
Gross return in %	6.2%

OUR BRANDS

In recent years we have developed and established two brands for our retail portfolio: STOP SHOP and VIVO!. Our latest step was the introduction of myhive, our international office brand, in September 2016. This brand strategy is driving the steady expansion of our competitive position.

MYHIVE

Our offices meet all the expectations of a modern working environment and include innovative features to satisfy our tenants' needs. The new international office brand myhive is positioned in the capital cities of our core countries and in the major office locations in Germany. myhive stands for a friendly and lively atmosphere combined with optimal infrastructure and services.

OUR OFFICE PORTFOLIO AS OF 31 JULY 2016

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR	Property portfolio in MEUR	Property portfolio in %
myhive ¹	18	862.1	66.5	0.0	928.6	17.2%
Prime Office	26	517.2	290.2	24.8	832.2	15.4%
Functional Office	53	784.0	6.7	62.2	852.9	15.8%
Office	97	2,163.4	363.3	87.0	2,613.7	48.4%

1. Twenty properties will be branded as myhive. Of this total, two buildings are not shown separately because they are part of the IRIDE Business Park.

STRUCTURE OF THE PROPERTY PORTFOLIO PER 31 JULY 2016

Total carrying amount: MEUR 2,613.7



VIVO!

VIVO! is our brand for shopping centers. These facilities are designed for cities with a catchment area of at least 200,000 residents and are characterised by strong anchor tenants and an attractive branch mix. VIVO! combines shopping with a special experience factor for the entire family. These shopping centers are generally single-storey, have a high recognition value and are ideally suited for further growth.

STOP SHOP

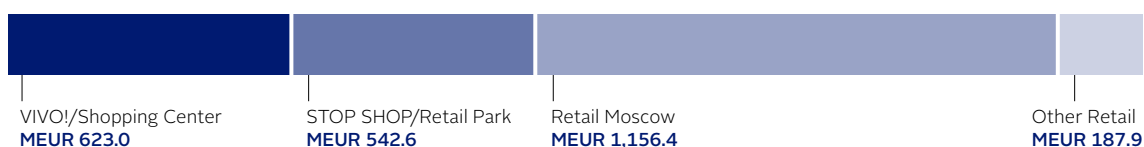
STOP SHOP is our brand for retail parks in Central and Eastern Europe. They are appealing and practical local suppliers in catchment areas of 30,000 to 150,000 residents and have a diverse product offering with attractive value for money. With their good traffic links and extensive parking, they address price-conscious "smart shoppers" who value easy accessibility.

OUR RETAIL PORTFOLIO AS OF 31 JULY 2016

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR	Property portfolio in MEUR	Property portfolio in %
VIVO!/Shopping Center	13	609.0	4.9	9.1	623.0	11.5%
STOP SHOP/Retail Park	66	517.1	19.5	6.1	542.6	10.0%
Retail Moscow	6	1,152.2	0.0	4.2	1,156.4	21.4%
Other Retail	105	142.3	0.1	45.5	187.9	3.5%
Retail	190	2,420.6	24.4	64.9	2,509.8	46.4%

STRUCTURE OF OUR RETAIL PORTFOLIO AS OF 31 JULY 2016

Total carrying amount: MEUR 2,509.8



You can find detailed information on the development and structure of the property portfolio starting on page 8 of this report.

IMMOFINANZ ON THE CAPITAL MARKET

THE MARKET ENVIRONMENT AND THE IMMOFINANZ SHARE

The development of share prices on the international markets during the reporting period (1 May 2016 – 31 July 2016) was influenced, above all, by the June referendum over the withdrawal of the United Kingdom from the EU. This so-called “Brexit” and the continuing weak economic growth in Western Europe had a negative effect on share prices across Europe.

The IMMOFINANZ share started the abbreviated 2016 financial year at EUR 2.06 and equalled EUR 1.95 at the end of July 2016. This 5.4% decline also reflects the development of the ATX. At the beginning of the second quarter, the share price rose to over EUR 2.00.

INFORMATION ON THE IMMOFINANZ SHARE

		31 July 2016	30 April 2016	Change in %
EPRA Net Asset Value per share	in EUR	3.41	3.39	0.8%
EPRA Triple Net Asset Value per share	in EUR	3.31	3.32	-0.3%
Book value per share	in EUR	3.02	2.99	1.0%
Discount of share price to NAV per share	in %	42.9%	39.2%	n.a.

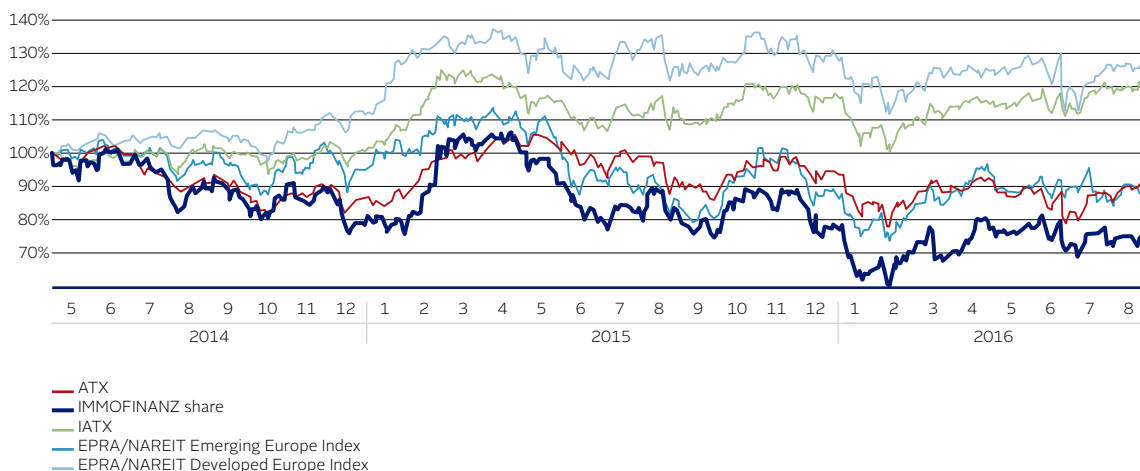
		31 July 2016
Share capital	in EUR	975,955,651.00
Total number of shares		975,955,651
Thereof treasury shares		10,000,000
Free float	in %	79%
Established		April 1990
Segment		ATX, WIG
Class of shares		Bearer common shares
ISIN		AT0000809058
Reuters		IMFI VI
Bloomberg		IJA AV
Datastream		O: IMMO 866289
ISIN ADR programme		US45253U2015
2016 abbreviated financial year		1 May to 31 December 2016
Share price on 31 July 2016	in EUR	1.95
Share price high Q1 2016A (end of the day)	in EUR	2.17
Share price low Q1 2016A (end of the day)	in EUR	1.85
Market capitalisation on 31 July 2016	in MEUR	1,901.2

PERFORMANCE COMPARISON

1 May to 31 July 2016	in %
IMMOFINANZ share	-5.4%
ATX	-4.1%
Immobilien ATX	4.3%
EPRA/NAREIT Emerging Europe Index	-9.8%
EPRA/NAREIT Developed Europe Index	1.7%

DEVELOPMENT OF THE IMMOFINANZ SHARE VS. SELECTED INDEXES

Indexed as of 1 May 2014



SHARE CAPITAL AND DISTRIBUTION POLICY

The share capital of IMMOFINANZ AG totalled EUR 975,955,651 as of 31 July 2016 (30 April 2016: EUR 975,955,651) and was divided into 975,955,651 bearer shares (ISIN AT0000809058; 2015/16: 975,955,651 shares), each of which represents a proportional share of EUR 1.00 in share capital. IMMOFINANZ held 10,000,000 treasury shares at the end of the reporting period.

**EUR 0.06
ordinary dividend
announced for
FY 2015/16 and
the current abbre-
viated FY 2016**

Dividend recommendation

At the beginning of February 2016 IMMOFINANZ issued a preview of the planned distribution policy for the 2015/16 financial year (as of 30 April 2016) and the abbreviated 2016 financial year (as of 31 December 2016): the ordinary dividend will equal EUR 0.06 per share for each of these two financial years. The Executive Board will therefore make a recommendation to the 23rd annual general meeting on 29 September 2016, calling for the distribution of a dividend of six Euro cents per share. That represents a total pay-out of approx. EUR 58 million for 2015/16 and, based on the closing price on 30 April 2016, a dividend return of approx. 2.9%.

SHAREHOLDER STRUCTURE

IMMOFINANZ shares are widely held, primarily by Austrian private investors and long-term value-oriented institutional investors from Europe and the USA. Free float, excluding treasury shares, equals roughly 79%.

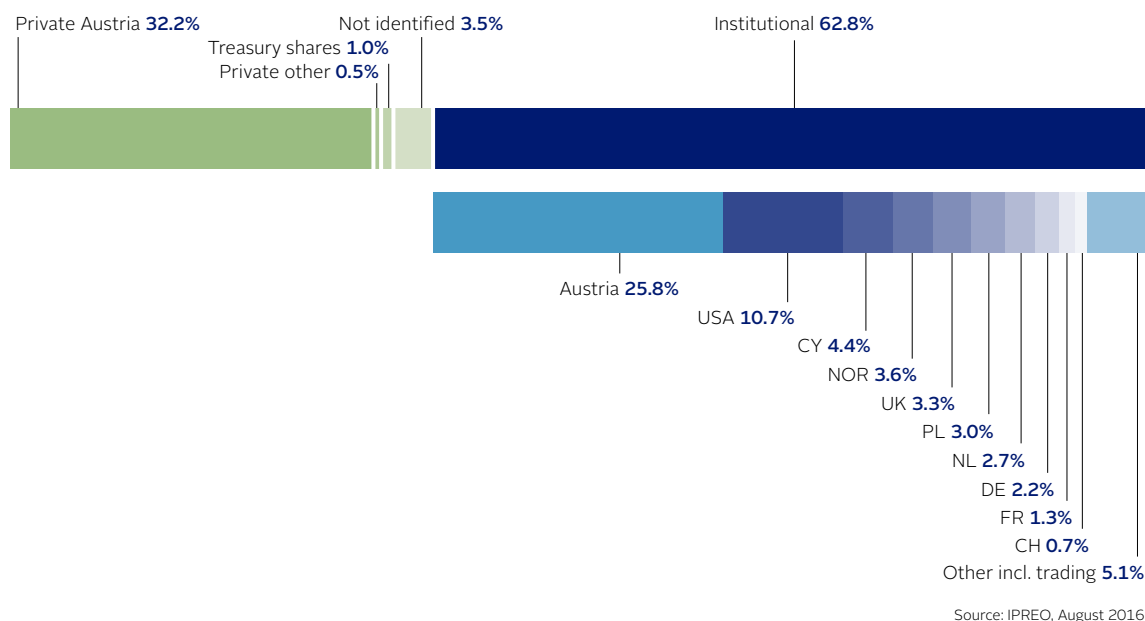
LARGEST SINGLE SHAREHOLDERS

Fries Group	69,781,813 shares	7.2%
CA Immobilien Anlagen (via PHI Finanzbeteiligungs und Investment GmbH)	54,805,566 shares	5.6%
O1 Group (via EG Immobilien Europe)	42,800,000 shares	4.4%
Erste Asset Management (together with subsidiaries)	39,072,110 shares	4.0%

Detailed analysis

Regular shareholder surveys help to define the regional focal points for investor relations activities. The latest survey was carried out in August 2016 and showed the following picture: 32.2% of IMMOFINANZ shares are held by private investors in Austria. Institutional investors hold approx. 62.8%, whereby most come from Austria (25.8%), the USA (10.7%), Cyprus (4.4%), Norway (3.6%) and Great Britain (3.3%). Polish investors hold 3.0% of the shares. The remaining 5.0% are not identified or represent treasury shares or holdings by foreign private investors.

PRIVATE AND INSTITUTIONAL INVESTORS BY COUNTRY



REDUCTION OF BUWOG INVESTMENT

In the first quarter of 2016A IMMOFINANZ sold roughly 18.5 million BUWOG shares to the strategic investor SAPINDA for a total price of approx. EUR 360 million. This transaction reduced the BUWOG investment to 9.98%. The remaining approx. 9.96 million BUWOG shares are reserved for servicing the convertible bonds issued by IMMOFINANZ.

**BUWOG holding
reduced to roughly
10% in June 2016**

ANALYSTS' RECOMMENDATIONS

The following 11 national and international houses publish regular evaluations and studies on IMMOFINANZ: Alpha Value, Baader Bank, Barclays, Deutsche Bank, Erste Group, HSBC, Kepler Cheuvreux, Morgan Stanley, Raiffeisen Centrobank, Société Générale and Wood & Company. These evaluations are updated regularly and can be reviewed on the IMMOFINANZ website under www.immofinanz.com/en/investor-relations/our-share/analyses.

CONTACT

The investor relations team is available to answer your questions and provide additional information on IMMOFINANZ AG and its share.

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GROUP MANAGEMENT REPORT

Portfolio Report

**Portfolio value of
EUR 5.4 billion**

The core business of IMMOFINANZ covers the management and development of retail and office properties in selected countries of Central and Eastern Europe. The company's activities in the office sector are concentrated on the capital cities of the core countries and on the largest office locations ("Big 7" cities) in Germany. The expansion of the retail portfolio is focused on the STOP SHOP and VIVO! brands, which are designed primarily for secondary and tertiary cities. The company's goal is to create a high-quality, profitable portfolio of commercial properties.

The property portfolio contained 361 properties with a combined value of EUR 5,405.0 million* as of 31 July 2016, which are located in the core markets of Austria, Germany, Czech Republic, Slovakia, Hungary, Romania, Poland and Moscow. Standing investments represent the largest component at EUR 4,598.7 million or 85.1% of the total carrying amount and approx. 2.2 million sqm of rentable space. These properties generate steady rental income and are allocated to the Asset Management sector. Active development projects comprise EUR 422.8 million or 7.8% of the carrying amount and real estate inventories EUR 107.7 million or 2.0%. A carrying amount of EUR 275.9 million or 5.1% is attributable to pipeline projects, which include future planned development projects and undeveloped land.

STRUCTURE OF THE PROPERTY PORTFOLIO

Total carrying amount: MEUR 5,405.0¹



¹ This portfolio report does not include the investment property classified as held for sale as of 31 July 2016, which had a carrying amount of EUR 339.0 million.

A geographical analysis shows the main focus of the portfolio in Russia with 21.4%, followed by Austria with 20.0%, Romania with 15.7%, Poland with 11.4% and Hungary with 8.8%. Properties in the non-core countries represent 2.2% of the carrying amount of the property portfolio.

PROPERTY PORTFOLIO BY CORE MARKETS

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Real estate inventories in MEUR	Pipeline projects in MEUR	Property portfolio in MEUR	Property portfolio in %
Austria	138	1,035.8	35.0	0.3	11.4	1,082.5	20.0%
Germany	23	83.7	263.7	91.5	0.0	439.0	8.1%
Czech Republic	24	398.5	21.5	0.0	25.7	445.7	8.2%
Hungary	32	441.9	3.2	0.0	31.9	477.0	8.8%
Poland	28	589.1	12.7	12.9	4.0	618.7	11.4%
Romania	75	636.4	33.2	2.8	175.8	848.2	15.7%
Russia	6	1,152.2	0.0	0.0	4.2	1,156.4	21.4%
Slovakia	17	166.3	44.9	0.0	10.0	221.2	4.1%
Non-core countries ¹	18	94.8	8.5	0.2	13.0	116.4	2.2%
IMMOFINANZ	361	4,598.7	422.8	107.7	275.9	5,405.0	100.0%
		85.1%	7.8%	2.0%	5.1%	100.0%	

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

¹ In declining order based on the carrying amount: Slovenia, Serbia, Croatia, Bulgaria, Ukraine

* This portfolio report does not include the investment property classified as held for sale as of 31 July 2016, which had a carrying amount of EUR 339.0 million.

PROPERTY SALES

The property portfolio was further optimised during the reporting period. The sales involved several residential properties as well as smaller office buildings and retail properties in Austria.

INVESTMENTS

IMMOFINANZ invested a total of EUR 32.2 million in the property portfolio during the reporting period (Q1 2015/16: EUR 93.9 million).

THE IMMOFINANZ BRANDS

IMMOFINANZ developed the STOP SHOP and VIVO! brands for its retail portfolio in recent years. myhive, an international office brand, was introduced after the end of the reporting period in September 2016. This brand strategy is supporting the steady expansion of the company's competitive position. Plans for the abbreviated 2016 financial year call for the roll-out of the VIVO! brand to existing shopping centers and the rebranding of existing office properties to myhive. The internal company classification currently covers the following seven categories:

CLASSIFICATION AS OF 31 JULY 2016

Office	Retail
myhive	VIVO!/Shopping Center
Prime Office	STOP SHOP /Retail Park
Functional Office	Retail Moscow
	Other Retail

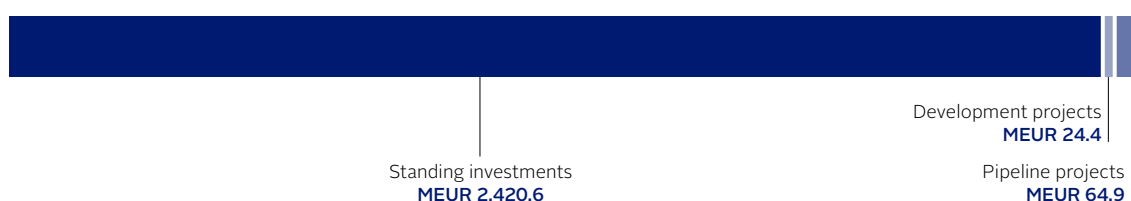
STRUCTURE OF THE PROPERTY PORTFOLIO BY ASSET CLASS AND CLASSIFICATION

Total carrying amount: MEUR 5,123.5 (excl. Other)

Office



Retail



OFFICE

The new international office concept **myhive** is directed to locations in the capital cities of the IMMOFINANZ core countries and the largest office locations in Germany. myhive stands for a friendly and lively atmosphere combined with optimal infrastructure and services. The buildings are characterised by attentive and helpful staff, easy accessibility and numerous services. Included here are shops and services for everyday needs, flexible and serviced offices, fast WLAN in the common areas and a sport offering. The interaction and cooperation between tenants is also supported, for example, by attractive communication zones, tenant lounges and interesting events. The goal for the first phase is to redesign and rebrand 20 existing office properties* as myhive facilities. This category represents an important source of income for IMMOFINANZ with a 17.2% share of the portfolio value and 15.8% of the rental income from standing investments in the first quarter of 2016A. The future myhive offices include, among others, the *Vienna Twin Tower* (Vienna, Austria), *S-Park* (Bucharest, Romania), *Park Postępu* and *Nimbus* (Warsaw, Poland) and *Atrium Park* (Budapest, Hungary).

myhive:
IMMOFINANZ's
new international
office brand

* Two buildings are not listed separately in the portfolio report because they are part of the *IRIDE Business Park*.

Prime Office covers office properties in the capital cities of the core markets and in the “Big 7” cities of Germany. The distinctive features of these properties are high quality, a good location and a strong service orientation. However, they do not qualify as myhive locations because of their size or other characteristics (e.g. a single tenant). This category had a 15.4% share of the portfolio value and 8.4% of the rental income from standing investments in the first quarter of 2016A. The Prime Office properties include, among others, the *City Tower Vienna* and *Ungargasse 37* (Vienna, Austria), *BB Centrum Gamma* (Prague, Czech Republic), *Panta Rhei* (Düsseldorf, Germany) and *Crown Tower* (Warsaw, Poland).

Functional Office represents efficient office properties with good quality for cost-conscious tenants. This category was responsible for 15.8% of the portfolio value and 17.1% of the rental income from standing investments in the first quarter of 2016A.

RETAIL

VIVO! shopping centers in four markets

VIVO! stands for high-quality shopping centers, primarily on a single level. The tenants are generally a mix of international and local retailers, with a focus on fashion and entertainment. The VIVO! concept is based on high standardisation and is therefore optimally suited for further development projects. In line with current plans, the VIVO! brand will also be rolled out to further shopping centers (excluding Russia). The VIVO!/Shopping Center properties represent 11.5% of the portfolio value and 14.8% of the rental income from standing investments in the first quarter of 2016A. These shopping centers include, among others, the *Polus Center Cluj* (Cluj-Napoca, Romania), the *Tarasy Zamkowe* in Lublin, Poland, and the VIVO! shopping centers in the Polish cities of Piła and Stalowa Wola.

STOP SHOP: retail parks for everyday needs

STOP SHOPS are retail parks with a standardised format and an attractive tenant mix. They amounted to 10.0% of the total portfolio value and 13.5% of the rental income from standing investments in the first quarter of 2016A. The STOP SHOP locations are found primarily in catchment areas with 30,000 to 150,000 residents and have 3,000 to 15,000 sqm of rentable space. This concept is suitable, above all, for secondary and tertiary cities in lower-income regions. The STOP SHOPS are attractive properties with uniform quality standards, easy-shopping concept for everyday needs and high recognition value.

Sale or spin-off of Retail Moscow portfolio planned

The **Retail Moscow** portfolio comprises five shopping centers in Moscow, which represent 21.4% of the total portfolio value and 25.7% of the rental income from standing investments in the first quarter of 2016A. Since the Russian properties have distinct market characteristics and a different risk profile than the remainder of the portfolio, IMMOFINANZ plans to sell or spin off the Moscow shopping centers.

Other Retail, which represents 3.5% of the total portfolio value, includes the retail properties that cannot be allocated to one of the above retail categories because of their size, location or quality.

OTHER

With a 5.2% share of the total portfolio, these properties are not part of IMMOFINANZ's core real estate assets and involve other activities that cannot be allocated to the office or retail business. This category includes, above all, the condominium apartments developed by IMMOFINANZ in Romania (Adama) and Poland as well as the apartments designated for sale in the *Gerling Quartier* in Germany and residential buildings in Austria.

The following table shows the carrying amount of IMMOFINANZ's property portfolio as of 31 July 2016:

PROPERTY PORTFOLIO BY CATEGORY

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Real estate inventories in MEUR	Pipeline projects in MEUR	Property portfolio in MEUR	Property portfolio in %
myhive ¹	18	862.1	66.5	0.0	0.0	928.6	17.2%
Prime Office	26	517.2	290.2	0.0	24.8	832.2	15.4%
Functional Office	53	784.0	6.7	0.0	62.2	852.9	15.8%
Office	97	2,163.4	363.3	0.0	87.0	2,613.7	48.4%
VIVO!/Shopping Center	13	609.0	4.9	0.0	9.1	623.0	11.5%
STOP SHOP/Retail Park	66	517.1	19.5	0.0	6.1	542.6	10.0%
Retail Moscow	6	1,152.2	0.0	0.0	4.2	1,156.4	21.4%
Other Retail	105	142.3	0.1	0.0	45.5	187.9	3.5%
Retail	190	2,420.6	24.4	0.0	64.9	2,509.8	46.4%
Other	74	14.7	35.0	107.7	124.1	281.5	5.2%
IMMOFINANZ	361	4,598.7	422.8	107.7	275.9	5,405.0	100.0%

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.
1. Twenty properties will be branded as myhive. Of this total, two buildings are not listed separately because they are part of the IRIDE Business Park.

The IMMOFINANZ portfolio had a carrying amount of EUR 5,405.0 million as of 31 July 2016. An analysis ranks the Retail Moscow category first with 21.4%, followed by myhive with 17.2% and Functional Office with 15.8%.

STANDING INVESTMENTS

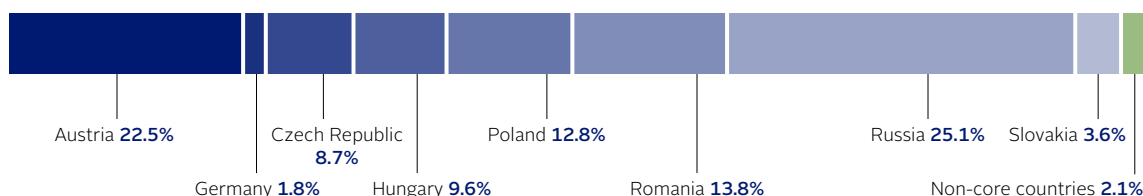
With 85.1% of the total property portfolio, the standing investments are the most important source of earnings for IMMOFINANZ. Standing investments are properties held to generate rental income. The most important objectives for the management of these properties include the continuous improvement of quality and efficiency, the strengthening of ties with existing tenants and the acquisition of new tenants.

The 246 standing investments had a combined carrying amount of EUR 4,598.7 million as of 31 July 2016. Of this total, 47.0% are attributable to office properties and 52.6% to retail properties. The focal point of the standing investments based on the carrying amount are the markets in Russia (EUR 1,152.2 million), Austria (EUR 1,035.8 million) and Romania (EUR 636.4 million). The standing investments in the non-core countries have a carrying amount of EUR 94.8 million.

The rentable space in the standing investments totals 2,187,976 sqm. Based on annualised rental income*, the gross return on the portfolio equals 6.2%. The occupancy rate in these properties totals 86.4%.

**Occupancy rate
of 86.4%**

The following graph shows the distribution of IMMOFINANZ's standing investment portfolio as of 31 July 2016, based on the carrying amount:



CONTRACT EXPIRATION PROFILE STANDING INVESTMENTS (TOTAL)

Expiring space up to contract end in relation to the total rented space (only in gross leasable/lettable "GLA" areas¹):

1 year	2 years	3 years	4 years	5 years	6 years	7 years	8+ years	Unlimited
12%	13%	11%	15%	15%	10%	3%	19%	2%

1 Total gross lettable area: total space available to tenants for exclusive use, i.e. excluding common areas like traffic areas, parking facilities, service areas etc.

* Rental income Q1 multiplied by 4

STANDING INVESTMENTS BY CORE MARKET

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Austria	131	1,035.8	22.5%	539,903	463,769	85.9%
Germany	5	83.7	1.8%	34,062	27,092	79.5%
Czech Republic	21	398.5	8.7%	252,251	209,405	83.0%
Hungary	25	441.9	9.6%	290,933	249,647	85.8%
Poland	18	589.1	12.8%	281,005	255,570	90.9%
Romania	19	636.4	13.8%	344,978	312,391	90.6%
Russia	5	1,152.2	25.1%	278,446	225,580	81.0%
Slovakia	12	166.3	3.6%	90,823	89,207	98.2%
Non-core countries	10	94.8	2.1%	75,574	58,667	77.6%
IMMOFINANZ	246	4,598.7	100.0%	2,187,976	1,891,327	86.4%

Standing investments	Rental income Q1 2016A in MEUR ¹	Gross return in % (occupancy-adjusted)	Carrying amount financing in MEUR	Financing costs in % ²	Financing costs incl. derivatives in %	LTV in %
Austria	14.7	5.7% (6.6%)	526.1	1.8%	2.8%	50.8%
Germany	0.9	4.5% (5.7%)	42.4	1.4%	1.6%	50.7%
Czech Republic	6.1	6.1% (7.4%)	141.7	2.1%	2.5%	35.6%
Hungary	6.5	5.9% (6.9%)	147.3	1.9%	2.2%	33.3%
Poland	8.5	5.8% (6.4%)	371.3	1.9%	2.2%	63.0%
Romania	11.3	7.1% (7.8%)	200.2	3.4%	4.2%	31.5%
Russia	18.3	6.4% (7.9%)	694.2	7.5%	7.5%	60.2%
Slovakia	3.3	7.9% (8.0%)	73.2	3.1%	3.6%	44.0%
Non-core countries	1.8	7.4% (9.5%)	40.4	3.2%	3.6%	42.6%
IMMOFINANZ	71.4	6.2% (7.2%)	2,236.7	3.8%	4.3%	48.6%

Development and pipeline projects	1.7		309.5	1.8%	2.0%	
In Q1 2016A properties sold or reported as held for sale	3.8		0.0	0.0%	0.0%	
Investment financing	0.0		122.0	0.7%	0.7%	
Group financing	0.0		628.3	4.4%	4.4%	
IMMOFINANZ	76.8		3,296.5	3.5%	3.9%	
Market value property portfolio						5,405.0
Market value of BUWOG shares (10.0 million shares) ³						216.1
Cash and cash equivalents			-795.2			
Properties/liabilities held for sale (asset & share deal)			250.5			339.0
IMMOFINANZ			2,751.8			46.2%

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

1 Rental income based on the primary use of the property (rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

2 Financing costs based on nominal outstanding liability

3 10 million shares multiplied by the stock exchange price of EUR 21.69 on 31 July 2016

RENTAL INCOME LIKE-FOR-LIKE

A like-for-like analysis (i.e. acquisitions, completions and sales in the current quarter are deducted to facilitate a comparison with the previous quarter) shows the stable development of rental income during the reporting period for a total of EUR 67.8 million. The rental income from Russia was EUR 0.7 million lower than the previous quarter at EUR 18.3 million, but was contrasted by a slight increase in Romania.

STANDING INVESTMENTS LIKE-FOR-LIKE BY CORE MARKET

Standing investments like-for-like ¹	Number of properties	Carrying amount 31 7 2016 in MEUR	Carrying amount in %	Carrying amount 30 4 2016 in MEUR
Austria	128	1,031.6	23.8%	1,032.1
Germany	3	65.8	1.5%	65.6
Czech Republic	21	398.5	9.2%	398.5
Hungary	25	441.9	10.2%	441.0
Poland	15	383.0	8.8%	382.1
Romania	17	630.4	14.5%	634.0
Russia	5	1,152.2	26.5%	1,114.6
Slovakia	12	166.3	3.8%	166.3
Non-core countries	8	73.0	1.7%	73.0
IMMOFINANZ	234	4,342.7	100.0%	4,307.3

Standing investments like-for-like ¹	Rental income Q1 2016A in MEUR	Rental income Q4 2015/16 in MEUR	Change in rental income Q1 2016A vs. Q4 2015/16 in MEUR	Gross return Q1 2016A in % (occupancy-adjusted)	Gross return Q4 2015/16 in % (occupancy-adjusted)
Austria	14.7	15.2	-0.6	5.7% (6.6%)	5.9% (6.8%)
Germany	0.9	0.8	0.1	5.4% (7.0%)	4.9% (6.2%)
Czech Republic	6.1	6.0	0.1	6.1% (7.4%)	6.0% (7.4%)
Hungary	6.5	6.4	0.1	5.9% (6.9%)	5.8% (6.9%)
Poland	5.6	5.5	0.1	5.9% (6.4%)	5.7% (6.4%)
Romania	11.2	10.8	0.4	7.1% (7.8%)	6.8% (7.4%)
Russia	18.3	19.0	-0.7	6.4% (7.9%)	6.8% (8.3%)
Slovakia	3.3	3.2	0.1	7.9% (8.0%)	7.7% (7.9%)
Non-core countries	1.3	1.3	0.0	7.0% (9.3%)	7.2% (9.3%)
IMMOFINANZ	67.8	68.3	-0.5	6.2% (7.2%)	6.3% (7.3%)
Rental income from properties sold/acquired in Q1 2016A and development projects	9.0				
IMMOFINANZ	76.8				

STANDING INVESTMENTS LIKE-FOR-LIKE BY ASSET CLASS

Standing investments like-for-like ¹	Number of properties	Carrying amount 31 7 2016 in MEUR	Carrying amount in %	Carrying amount 30 4 2016 in MEUR
Office	69	2,089.2	48.1%	2,087.6
Retail	157	2,242.7	51.6%	2,204.6
Other	8	10.9	0.3%	15.1
IMMOFINANZ	234	4,342.7	100.0%	4,307.3

Standing investments like-for-like ¹	Rental income Q1 2016A in MEUR	Rental income Q4 2015/16 in MEUR	Change in rental income Q1 2016A vs. Q4 2015/16 in MEUR	Gross return Q1 2016A in % (occupancy-adjusted)	Gross return Q4 2015/16 in % (occupancy-adjusted)
Office	28.7	28.4	0.3	5.5% (6.7%)	5.4% (6.7%)
Retail	39.0	39.8	-0.8	7.0% (7.6%)	7.2% (7.9%)
Other	0.0	0.0	0.0	1.5% (2.5%)	1.2% (1.7%)
IMMOFINANZ	67.8	68.3	-0.5	6.2% (7.2%)	6.3% (7.3%)

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

¹ This calculation only includes the properties which were fully owned by IMMOFINANZ during both financial years. In other words, the calculation excludes new acquisitions, completions and sales.

OFFICE STANDING INVESTMENTS

The carrying amount of the 72 office standing investments totalled EUR 2,163.4 million as of 31 July 2016 and represents 47.0% of the total standing investment portfolio. A regional analysis shows the focal points of these properties in the core markets of Austria (EUR 816.2 million), Poland (EUR 366.1 million) and Romania (EUR 326.3 million).

Occupancy rate in the office portfolio of almost 82%

The office standing investments have 1,053,531 sqm of rentable space. Based on annualised rental income* (rental income in the first quarter of 2016A: EUR 29.5 million), these properties generated a gross return of 5.5% (2015/16: 5.3%). The occupancy rate in the office portfolio equalled almost 82%.

CONTRACT EXPIRATION OFFICE SECTOR

Expiring space up to contract end in relation to the total rented space (only in gross leasable/lettable "GLA" areas¹):

1 year	2 years	3 years	4 years	5 years	6 years	7 years	8+ years	Unlimited
15%	15%	14%	15%	15%	8%	2%	14%	2%

1 Total gross lettable area: total space available to tenants for exclusive use, i.e. excluding common areas like traffic areas, parking facilities, service areas etc.

The ten largest standing investments in the office portfolio based on the carrying amount (in declining order) are: the *Business Park Vienna*, *Vienna Twin Tower* and *City Tower Vienna* (Vienna), *IRIDE* incl. *IRIDE 19* (Bucharest), *BB Centrum Gamma* (Prague), *S-Park* (Bucharest), *Park PoŃępu* (Warsaw), *Atrium Park* (Budapest), *IO-1* (Warsaw) and *Haller Gardens* (Budapest).

Key data on the individual categories as of 31 July 2016 is presented in the following tables:

OFFICE STANDING INVESTMENTS BY CATEGORY

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
myhive ³	15	862.1	39.9%	388.878	323.587	83.2%
Prime Office	14	517.2	23.9%	167.305	151.292	90.4%
Functional Office	43	784.0	36.2%	497.347	384.985	77.4%
IMMOFINANZ	72	2,163.4	100.0%	1,053.531	859.863	81.6%

Standing investments	Rental income Q1 2016A in MEUR ¹	Gross return in % (occupancy-adjusted)	Carrying amount financing in MEUR	Financing costs in % ²	Financing costs incl. derivatives in %	LTV in %
myhive ³	11.3	5.2% (6.3%)	474.6	2.1%	2.6%	55.1%
Prime Office	6.0	4.6% (5.1%)	278.7	1.7%	2.3%	53.9%
Functional Office	12.2	6.2% (8.0%)	296.7	2.4%	3.5%	37.8%
IMMOFINANZ	29.5	5.5% (6.7%)	1,050.0	2.1%	2.8%	48.5%

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

1 Rental income based on the primary use of the property (rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

2 Financing costs based on nominal outstanding liability

3 20 properties, including 15 standing investments will be branded as myhive. Two of these standing investments are not listed separately because they are part of the *IRIDE Business Park*. The other three properties are classified as development projects.

* Rental income Q1 multiplied by 4



THE OFFICE SECTOR IN THE IMMOFINANZ CORE MARKETS

Share of the standing investment portfolio
(based on the carrying amount of MEUR 2,163.4)

3.9%
GERMANY

16.9%
POLAND

12.4%
CZECH REPUBLIC

37.7%
AUSTRIA

12.6%
HUNGARY

15.1%
ROMANIA

AUSTRIA		37.7%
Number of properties	26	
Carrying amount in MEUR	816.2	
Rentable space in sqm	330,566	
Occupancy rate	81.3%	
Rental income Q1 2016A (MEUR) ¹	10.2	
Gross return in %	5.0%	
Gross return in % (occupancy-adjusted)	6.2%	

POLAND		16.9%
Number of properties	10	
Carrying amount in MEUR	366.1	
Rentable space in sqm	162,065	
Occupancy rate	90.6%	
Rental income Q1 2016A (MEUR) ¹	5.1	
Gross return in %	5.6%	
Gross return in % (occupancy-adjusted)	6.1%	

ROMANIA		15.1%
Number of properties	8	
Carrying amount in MEUR	326.3	
Rentable space in sqm	188,732	
Occupancy rate	87.1%	
Rental income Q1 2016A (MEUR) ¹	5.6	
Gross return in %	6.9%	
Gross return in % (occupancy-adjusted)	7.9%	

HUNGARY		12.6%
Number of properties	12	
Carrying amount in MEUR	272.7	
Rentable space in sqm	165,834	
Occupancy rate	80.8%	
Rental income Q1 2016A (MEUR) ¹	3.6	
Gross return in %	5.3%	
Gross return in % (occupancy-adjusted)	6.6%	

CZECH REPUBLIC		12.4%
Number of properties	9	
Carrying amount in MEUR	268.5	
Rentable space in sqm	146,652	
Occupancy rate	72.6%	
Rental income Q1 2016A (MEUR) ¹	3.6	
Gross return in %	5.3%	
Gross return in % (occupancy-adjusted)	7.4%	

GERMANY		3.9%
Number of properties	5	
Carrying amount in MEUR	83.7	
Rentable space in sqm	34,062	
Occupancy rate	79.5%	
Rental income Q1 2016A (MEUR) ¹	0.9	
Gross return in % ²	4.5%	
Gross return in % (occupancy-adjusted)	5.7%	

NON-CORE COUNTRIES³		1.4%
Number of properties	2	
Carrying amount in MEUR	29.9	
Rentable space in sqm	25,619	
Occupancy rate	49.0%	
Rental income Q1 2016A (MEUR) ¹	0.4	
Gross return in %	5.5%	
Gross return in % (occupancy-adjusted)	11.3%	

IMMOFINANZ		100.0%
Number of properties	72	
Carrying amount in MEUR	2,163.4	
Rentable space in sqm	1,053,531	
Occupancy rate	81.6%	
Rental income Q1 2016A (MEUR) ¹	29.5	
Gross return in %	5.5%	
Gross return in % (occupancy-adjusted)	6.7%	

¹ Rental income based on the primary use of the property (rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

² Gross return excl. properties used by IMMOFINANZ: 5.3%

³ Non-core countries: Croatia and Bulgaria

RETAIL STANDING INVESTMENTS

The carrying amount of the 165 standing investments in the retail sector totalled EUR 2,420.6 million as of 31 July 2016 and represents 52.6% of the total standing investment portfolio. The largest regional markets are Russia with EUR 1,152.2 million, Romania with EUR 301.1 million and Poland with EUR 222.9 million.

55% of the retail rental contracts have a term of 5+ years

The retail standing investments have 1,123,773 sqm of rentable space. Based on annualised rental income* (rental income in the first quarter of 2016A: EUR 41.8 million), these properties generated a gross return of 6.9% (2015/16: 7.0%). The retail occupancy rate equalled 91.2% as of 31 July 2016 (2015/16: 91.1%). Excluding Russia, the occupancy rate remained stable at 94.6%.

IMMOFINANZ relies on a balanced tenant mix and the inclusion of recreational and entertainment opportunities to create an optimal environment for retailers and their customers. All of the larger IMMOFINANZ retail properties have numerous solid international and local anchor tenants. Retailers from the fashion sector are the largest tenant group based on rented space, followed by food products. Other important tenant groups are entertainment, health & beauty and electronics. Of the total rental contracts, 55% have a term of five years or longer.

CONTRACT EXPIRATION RETAIL SECTOR

Expiring space up to contract end in relation to the total rented space (only in gross leasable/lettable "GLA" areas¹):

1 year	2 years	3 years	4 years	5 years	6 years	7 years	8+ years	Unlimited
10%	12%	9%	14%	14%	12%	4%	23%	2%

1 Total gross lettable area: total space available to tenants for exclusive use, i.e. excluding common areas like traffic areas, parking facilities, service areas etc.

The ten largest standing investments in the retail portfolio based on the carrying amount (in declining order) are: the *Golden Babylon Rostokino* (Moscow), *Polus Center Cluj* (Cluj-Napoca, Romania), *GOODZONE* (Moscow), *Tarasz Zamkowe* (Lublin, Poland), *Golden Babylon I* (Moscow), *Polus City Center* (Bratislava), *Maritimo Shopping Center* (Constanta, Romania), *Fifth Avenue* (Moscow), *Gold Plaza Baia Mare* (Romania) and *VIVO! Stalowa Wola* (Poland).

Key data on the individual categories as of 31 July 2016 is presented in the following tables:

OFFICE STANDING INVESTMENTS BY CATEGORY

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
VIVO!/Shopping Center	10	609.0	25.2%	284,778	269,397	94.6%
STOP SHOP/Retail Park	55	517.1	21.4%	367,295	351,457	95.7%
Retail Moscow	5	1,152.2	47.6%	278,446	225,580	81.0%
Other Retail	95	142.3	5.9%	193,253	178,796	92.5%
IMMOFINANZ	165	2,420.6	100.0%	1,123,773	1,025,231	91.2%

Standing investments	Rental income Q1 2016A in MEUR ¹	Gross return in % (occupancy-adjusted)	Carrying amount financing in MEUR	Financing costs in % ²	Financing costs incl. derivatives in %	LTV in %
VIVO!/Shopping Center	10.6	6.9% (7.3%)	256.7	2.7%	2.8%	42.2%
STOP SHOP/Retail Park	9.6	7.5% (7.8%)	213.7	2.2%	2.6%	41.3%
Retail Moscow	18.3	6.4% (7.9%)	694.2	7.5%	7.5%	60.2%
Other Retail	3.2	9.1% (9.9%)	16.8	1.7%	1.8%	11.8%
IMMOFINANZ	41.8	6.9% (7.6%)	1,181.4	5.4%	5.5%	48.8%

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

1 Rental income based on the primary use of the property (rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

2 Financing costs based on nominal outstanding liability

* Rental income Q1 multiplied by 4



THE RETAIL SECTOR IN THE IMMOFINANZ CORE MARKETS

Share of the standing investment portfolio
(based on the carrying amount of MEUR 2,420.6)

47.6%
RUSSIA

9.2%
POLAND

5.4%
CZECH REPUBLIC

6.9%
SLOVAKIA

8.8%
AUSTRIA

7.0%
HUNGARY

12.4%
ROMANIA

RUSSIA	47.6%
Number of properties	5
Carrying amount in MEUR	1,152.2
Rentable space in sqm	278,446
Occupancy rate	81.0%
Rental income Q1 2016A (MEUR) ¹	18.3
Gross return in %	6.4%
Gross return in % (occupancy-adjusted)	7.9%

ROMANIA	12.4%
Number of properties	5
Carrying amount in MEUR	301.1
Rentable space in sqm	147,329
Occupancy rate	97.1%
Rental income Q1 2016A (MEUR) ¹	5.6
Gross return in %	7.5%
Gross return in % (occupancy-adjusted)	7.7%

POLAND	9.2%
Number of properties	8
Carrying amount in MEUR	222.9
Rentable space in sqm	118,940
Occupancy rate	91.4%
Rental income Q1 2016A (MEUR) ¹	3.4
Gross return in %	6.1%
Gross return in % (occupancy-adjusted)	6.7%

AUSTRIA	8.8%
Number of properties	102
Carrying amount in MEUR	214.0
Rentable space in sqm	207,581
Occupancy rate	93.4%
Rental income Q1 2016A (MEUR) ¹	4.5
Gross return in %	8.3%
Gross return in % (occupancy-adjusted)	8.9%

HUNGARY	7.0%
Number of properties	13
Carrying amount in MEUR	169.2
Rentable space in sqm	125,099
Occupancy rate	92.5%
Rental income Q1 2016A (MEUR) ¹	2.9
Gross return in %	6.8%
Gross return in % (occupancy-adjusted)	7.3%

SLOVAKIA	6.9%
Number of properties	12
Carrying amount in MEUR	166.3
Rentable space in sqm	90,823
Occupancy rate	98.2%
Rental income Q1 2016A (MEUR) ¹	3.3
Gross return in %	7.9%
Gross return in % (occupancy-adjusted)	8.0%

CZECH REPUBLIC	5.4%
Number of properties	12
Carrying amount in MEUR	130.0
Rentable space in sqm	105,599
Occupancy rate	97.5%
Rental income Q1 2016A (MEUR) ¹	2.5
Gross return in %	7.7%
Gross return in % (occupancy-adjusted)	7.9%

NON-CORE COUNTRIES²	2.7%
Number of properties	8
Carrying amount in MEUR	64.9
Rentable space in sqm	49,954
Occupancy rate	92.3%
Rental income Q1 2016A (MEUR) ¹	1.3
Gross return in %	8.3%
Gross return in % (occupancy-adjusted)	9.0%

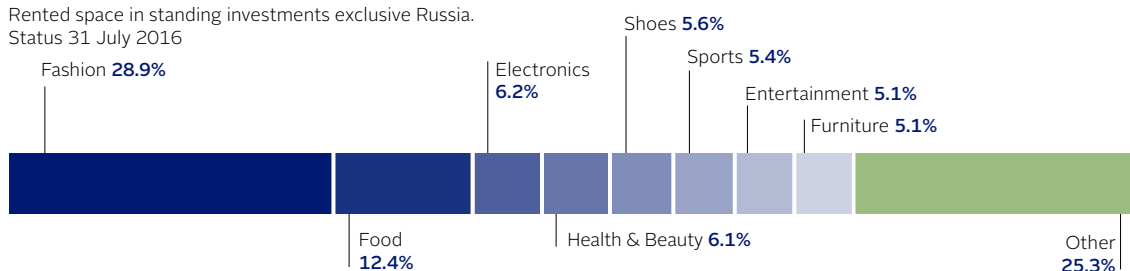
IMMOFINANZ	100.0%
Number of properties	165
Carrying amount in MEUR	2,420.6
Rentable space in sqm	1,123,773
Occupancy rate	91.2%
Rental income Q1 2016A (MEUR) ¹	41.8
Gross return in %	6.9%
Gross return in % (occupancy-adjusted)	7.6%

¹ Rental income based on the primary use of the property (rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

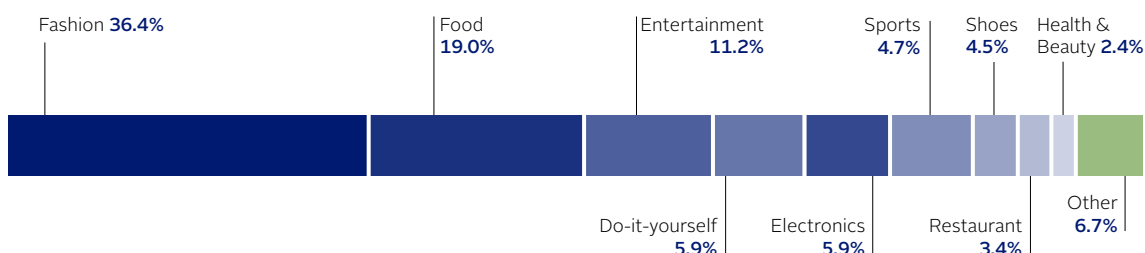
² Slovenia and Serbia

TENANT MIX – RETAIL, EXCL. RUSSIA

Rented space in standing investments exclusive Russia.
Status 31 July 2016



TENANT MIX – RETAIL RUSSIA



Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

OTHER STANDING INVESTMENTS

The other standing investments had a carrying amount of EUR 14.7 million as of 31 July 2016 and comprise 0.3% of the total standing investment portfolio. This category consists primarily of residential properties held by the Romanian subsidiary Adama and a number of residential properties in Austria. Based on annualised rental income* (rental income in the first quarter of 2016A: EUR 0.1 million), these properties generated a gross return of 1.6% (2015/16: 4.1%).

Key data on this category as of 31 July 2016 is presented in the following tables:

STANDING INVESTMENTS OTHER

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Other	9	14.7	100.0%	10,673	6,234	58.4%

Standing investments	Rental income Q1 2016A in MEUR ¹	Gross return in % (occupancy-adjusted)	Carrying amount financing in MEUR	Financing costs in % ²	Financing costs incl. derivatives in %	LTV in %
Other	0.1	1.6% (2.8%)	5.3	3.8%	3.8%	35.9%

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

1 Rental income based on the primary use of the property (rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

2 Financing costs based on nominal outstanding liability

* Rental income Q4 times 4

DEVELOPMENT PROJECTS

With the development of office and retail properties in the core markets, IMMOFINANZ strengthens its standing investment portfolio and safeguards organic growth. The company covers the entire value chain on these projects – from site preparation to property rental.

The active development projects had a carrying amount of EUR 422.8 million as of 31 July 2016, which represents 7.8% of the total property portfolio. The expected fair value on completion amounts to EUR 883.0 million. Activities are currently focused on the core markets of Germany, Romania and Poland. Germany is responsible for 67.5% of the expected fair value after completion (EUR 596.0 million), Romania for 12.1% (EUR 106.6 million) and Poland for 5.4% (EUR 47.3 million). The development projects also include extensive modernisation to existing properties, which will be reclassified to the standing investment portfolio after completion. Modernisation projects were ongoing in four buildings as of 31 July 2016.

Active development projects with a carrying amount of EUR 422.8 million

CURRENT FOCUS OF DEVELOPMENT ACTIVITIES

GERMANY

Düsseldorf

The new global headquarters for *trivago* is currently under construction in the Medienhafen with approx. 26,000 sqm of rentable office space in the first building section. This six-storey, horizontally structured building opens towards the harbour basin, which creates an expansive campus with a welcoming atmosphere. Construction started during spring 2016, and the cornerstone ceremony was held on 8 September 2016. The first section is scheduled for completion in mid-2018. Additional expansion areas can be realised in the second section (up to approx. 16,000 sqm).

Focus of development projects on Germany

Also under development in the Medienhafen is the *FLOAT*, an office ensemble with six buildings designed by the star architect Renzo Piano. The utility company Uniper has leased the entire office space of approx. 28,000 sqm and will use the building as its new headquarters starting in mid-2018.

Cologne

The *Gerling Quartier* is a high-quality urban quarter development project which includes apartments for sale and approx. 30,000 sqm of rentable office and commercial space. The first phase of construction is almost complete and, in the second section, construction is currently in progress on a hotel which will be operated by 25hours. Completion is scheduled for the beginning of 2018.

The centrally located *Hohenzollernring* standing investment on Friesenplatz in Cologne is currently undergoing extensive renovation. Plans call for 8,000 to 9,000 sqm office space, which should be completed during the second quarter of 2018.

Aachen

The *Cluster Produktionstechnik* with approx. 28,000 sqm of rentable space is the largest technology cluster in the RWTH (Rheinisch-Westfälische Technische Hochschule) Aachen expansion project. Construction is expected to be completed during the second quarter of 2017, and pre-rentals have already reached roughly 90%.

POLAND

In Poland, IMMOFINANZ is continuing the expansion with its STOP SHOP brand. The opening of the STOP SHOP in Świnoujście (3,600 sqm of rentable space) in May 2016 was followed by a further location in Szczytno (3,600 sqm) in June 2016. These two projects raise the number of retail parks in Poland to six. Five other locations in Poland – including the cities of Pultusk and Gdynia – are now under evaluation or preparation.

SERBIA

Market entry in 2015 was followed by the second STOP SHOP in Serbia, which opened in Niš during April 2015 with approx. 13,000 sqm of rentable space. The 58th STOP SHOP was completed after the end of the reporting period in Valjevo, and other locations in Serbia are being evaluated.

DEVELOPMENT PROJECTS BY CORE MARKET

Development projects	Number of properties	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR
Austria	2	35.0	8.3%	0.0
Germany	10	263.7	62.4%	280.2
Czech Republic	1	21.5	5.1%	8.1
Hungary ¹	0	3.2	0.8%	0.0
Poland	3	12.7	3.0%	28.9
Romania	2	33.2	7.8%	59.3
Slovakia ²	2	44.9	10.6%	10.6
Non-core countries	2	8.5	2.0%	0.7
IMMOFINANZ	22	422.8	100.0%	387.8

Development projects	Planned rentable space in sqm	Expected fair value after completion in MEUR	Expected rental income at full occupancy in MEUR	Yield on cost in % at full occupancy
Austria	21,691	35.0	2.4	6.8%
Germany	131,060	596.0	29.3	5.4%
Czech Republic	21,803	29.5	3.0	10.1%
Hungary ¹	2,081	3.2	0.2	7.2%
Poland	28,708	47.3	3.8	9.1%
Romania	57,921	106.6	9.7	10.5%
Slovakia ²	38,518	55.6	5.5	10.0%
Non-core countries	6,108	9.8	0.8	8.6%
IMMOFINANZ	307,890	883.0	54.7	6.8%

1 Expansion of an existing STOP SHOP

2 Modernisation of two existing office properties

DEVELOPMENT PROJECTS BY CATEGORY

Development projects	Number of properties	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR
myhive	3	66.5	15.7%	93.0
Prime Office	11	290.2	68.6%	259.5
Functional Office	1	6.7	1.6%	5.7
VIVOI/Shopping Center	1	4.9	1.2%	27.4
STOP SHOP/Retail Park	4	19.5	4.6%	2.2
Other	2	35.0	8.3%	0.0
IMMOFINANZ	22	422.8	100.0%	387.8

Development projects	Planned rentable space in sqm	Expected fair value after completion in MEUR	Expected rental income at full occupancy in MEUR	Yield on cost in % at full occupancy
myhive	80,299	178.9	14.2	8.9%
Prime Office	159,093	593.7	31.9	5.8%
Functional Office	9,910	15.0	1.4	11.1%
VIVOI/Shopping Center	21,491	37.8	3.1	9.5%
STOP SHOP/Retail Park	15,406	22.4	1.8	8.2%
Other	21,691	35.0	2.4	6.8%
IMMOFINANZ	307,890	883.0	54.7	6.8%

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Based on the expected fair value after completion, the most important development projects as of 31 July 2016 are as follows:

SELECTED DEVELOPMENT PROJECTS UNDER CONSTRUCTION

Largest projects in Germany	Primary use	Planned rentable/sellable space in sqm (rounded)	Pre-occupancy rate in %	Scheduled completion (calendar quarter)
Gerling Quartier	Office/hotel	30,000	73%	Q4 2016 to Q1 2018
FLOAT	Office	30,000	95%	Q3 2018
RWTH Aachen	Office	28,000	90%	Q2 2017
trivago ¹	Office	26,000	100%	Q3 2018

1 Office Phase I

REAL ESTATE INVENTORIES

Real estate inventories are apartments that are intended for sale after completion.

Real estate inventories	Number of properties	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned sellable space in sqm	Expected fair value after completion in MEUR
Austria	1	0.3	0.2%	0.0	86	0.3
Germany	8	91.5	85.0%	15.2	14,038	124.4
Poland	5	12.9	12.0%	16.2	20,008	35.0
Romania	9	2.8	2.6%	0.0	4,577	4.7
Non-core countries	1	0.2	0.2%	0.0	245	0.2
IMMOFINANZ	24	107.7	100.0%	31.4	38,953	164.6

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

PIPELINE PROJECTS

Pipeline projects include planned development projects, undeveloped land and/or temporarily suspended projects.

The pipeline projects had a carrying amount of EUR 275.9 million as of 31 July 2016. They are evaluated quarterly for possible transfer to an active development status. IMMOFINANZ intends to reduce the number of pipeline projects in the property portfolio through selected sales.

Pipeline projects with a carrying amount of EUR 275.9 million

PIPELINE PROJECTS BY CORE MARKET

Pipeline projects	Number of properties	Carrying amount in MEUR	Carrying amount in %
Austria	4	11.4	4.1%
Czech Republic	2	25.7	9.3%
Hungary	7	31.9	11.6%
Poland	2	4.0	1.4%
Romania	45	175.8	63.7%
Russia	1	4.2	1.5%
Slovakia	3	10.0	3.6%
Non-core countries	5	13.0	4.7%
IMMOFINANZ	69	275.9	100.0%

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

ASSETS HELD FOR SALE

The assets held for sale totalled EUR 411.4 million as of 31 July 2016 and are not included in this portfolio report. Concrete sale plans have been approved for these properties, and their sale is intended in the near future. Details are provided in section 4.5 of the notes on page 55.

Property Valuation

IMMOFINANZ prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). Accordingly, the properties must be appraised on a regular basis by independent experts. The valuation of the property portfolio follows the EPRA's Best Practices Policy Recommendations for the application of the fair value method as defined in IFRS.

As of 31 July 2016, the IMMOFINANZ properties were valued internally by the asset management and controlling departments. Independent, external appraisers will carry out these valuations as of 31 October and 31 December 2016, whereby CB Richard Ellis (CBRE) will be responsible for the CEE and Russia portfolio and BNP Paribas Real Estate Consult (BNPP REC) for the portfolios in Austria and Germany.

DEVELOPMENT OF PROPERTY VALUATION LIKE-FOR-LIKE

The like-for-like analysis (i.e. after an adjustment for new acquisitions, completions and sales to improve comparability) shows stable development since 30 April 2016.

STANDING INVESTMENTS LIKE-FOR-LIKE BY CORE MARKET

Standing investments like-for-like ¹	Number of properties	Carrying amount 31 7 2016 in MEUR	Carrying amount in %	Valuation effects Q1 2016A in MEUR
Austria	128	1,031.6	23.8%	-0.1
Germany	3	65.8	1.5%	-0.2
Czech Republic	21	398.5	9.2%	-0.1
Hungary	25	441.9	10.2%	0.9
Poland	15	383.0	8.8%	0.4
Romania	17	630.4	14.5%	-0.5
Russia	5	1,152.2	26.5%	-2.5
Slovakia	12	166.3	3.8%	-0.3
Non-core countries	8	73.0	1.7%	-0.1
IMMOFINANZ	234	4,342.7	100.0%	-2.5

STANDING INVESTMENTS LIKE-FOR-LIKE BY ASSET CLASS

Standing investments like-for-like ¹	Number of properties	Carrying amount 31 7 2016 in MEUR	Carrying amount in %	Valuation effects Q1 2016A in MEUR
Office	69	2,089.2	48.1%	0.1
Retail	157	2,242.7	51.6%	-2.7
Other	8	10.9	0.3%	-0.1
IMMOFINANZ	234	4,342.7	100.0%	-2.5

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

¹ This calculation only includes the properties which were fully owned by IMMOFINANZ during both financial years. In other words, the calculation excludes new acquisitions, completions and sales.



VIVO!
Pila | PL | 24,000 sqm
rentable space

Financing

IMMOFINANZ successfully arranged all necessary refinancing and extensions for standing investments and development projects as planned during the first quarter of the abbreviated 2016 financial year. In order to utilise the currently favourable market environment, IMMOFINANZ also regularly evaluates opportunities to renew and optimise existing loans prior to maturity. A focus is placed on the combination of individual properties in an asset class and region into a portfolio in order to arrange for financing at more attractive conditions.

**Net loan-to-value:
46.21%**

Financial liabilities totalled EUR 3.55 billion as of 31 July 2016 (30 April 2016: EUR 3.46 billion). Cash and cash equivalents amounted to EUR 795.2 million* (30 April 2016: EUR 371.6 million). Net debt, after the deduction of cash and cash equivalents held by the Group, therefore equalled EUR 2.75 billion (30 April 2016: EUR 3.08 billion). IMMOFINANZ has a robust balance sheet structure with an equity ratio of 39.7% (30 April 2016: 39.8%) and a net loan-to-value ratio (net LTV) of 46.21% (30 April 2016: 49.4%).

The net LTV shows the carrying amount of financing less cash and cash equivalents in relation to the total carrying amount of the properties and the fair value of the BUWOG shares.

CALCULATION NET LTV AS OF 31 JULY 2016

	Amounts in TEUR
Carrying amount of financing	3,549,169
– Cash and cash equivalents	795,244 ¹
Net carrying amount of financing	2,753,925
Carrying amount of property & fair value of BUWOG shares ²	5,960,021
Net LTV	46.21%

¹ Excluding cash and cash equivalents in discontinued operations and disposal groups

² Fair value of BUWOG shares: 10.0 million shares à EUR 21.69 (closing price on the Vienna Stock Exchange on 29 July 2016)

Financing costs

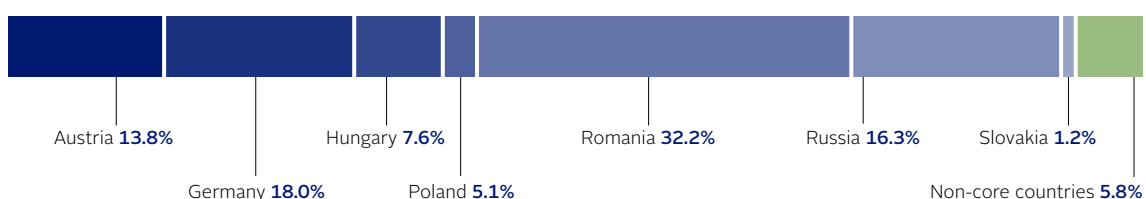
The average financing costs for IMMOFINANZ remained stable during the first quarter of the abbreviated 2016 financial year and equalled 3.86% per year including the derivatives used for interest rate hedging (2015/16: 3.85%) and 3.55% per year excluding derivatives (2015/16: 3.54%). After an adjustment for the financing arranged in Russia, the average financing costs equalled 2.96% per year including the derivatives used for hedging (2015/16: 2.97%) and 2.58% per year excluding these derivatives (2015/16: 2.58%).

Unencumbered property

In addition to properties which carry external financing and/or are encumbered through standard market collateral (e.g. mortgages, pledge of company shares), EUR 799.8 million or 13.92% of the total property carrying amount was not externally financed and therefore unencumbered as of 31 July 2016.

**13.92% of
property
unencumbered**

UNENCUMBERED PROPERTY BY COUNTRY



* Excluding cash and cash equivalents in discontinued operations and disposal groups

COMPOSITION OF FINANCIAL LIABILITIES

The financial liabilities held by IMMOFINANZ consist of amounts due to financial institutions as well as liabilities from convertible and corporate bonds. The composition of these liabilities as of 31 July 2016 is as follows:

	Outstanding liability ¹ in TEUR as of 31 July 2016	Weighted average inter- est rate excl. derivatives ²	Share of fixed interest in % ²	Share of floating interest in % ²	Fixed interest rate ²	Floating interest rate ²
Convertible bonds in EUR	528,171.7	4.23%	100.00%	0.00%	4.23%	n.a.
Corporate bond in EUR	100,162.3	5.25%	100.00%	0.00%	5.25%	n.a.
Bank liabilities in EUR	2,226,590.6	2.06%	4.17%	95.83%	0.91%	2.11%
Bank liabilities in CHF	260.9	0.13%	0.00%	100.00%	n.a.	0.13%
Bank liabilities in USD	693,983.6	7.54%	0.00%	100.00%	n.a.	7.54%
IMMOFINANZ	3,549,169.0	3.55%	20.33%	79.67%	3.94%	3.45%

¹ Including liabilities in discontinued operations and disposal groups

² Calculation basis: actual remaining debt (nominal amount)

The remaining balance of the financial liabilities held by IMMOFINANZ totalled EUR 3,549.2 million as of 31 July 2016. As of that date, 80.44% of the financing were denominated in Euros, 19.55% in US Dollars and 0.01% in other currencies.

**Outstanding
balance of finan-
cial liabilities:
EUR 3.55 billion**

FINANCIAL LIABILITIES BY CURRENCY AS OF 31 JULY 2016



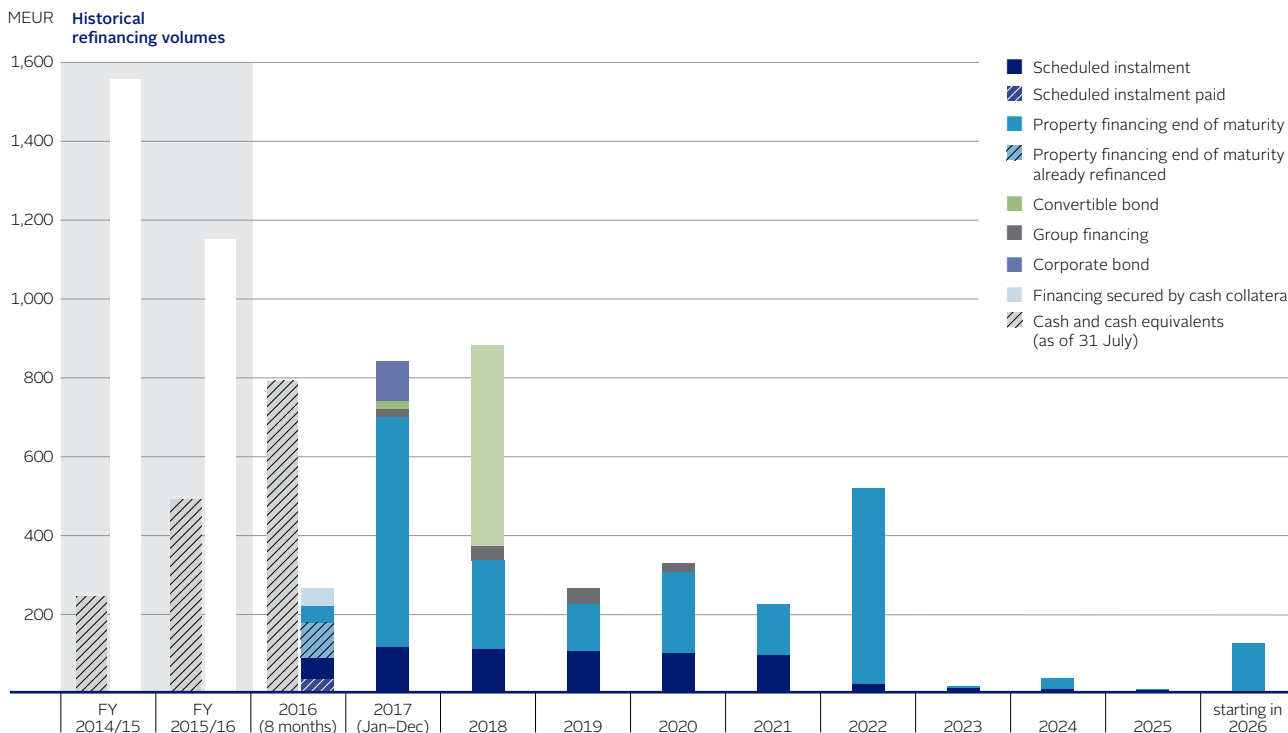
STOP SHOP
Szczytno | PL | 3,600 sqm
rentable space

Weighted average remaining term of financial liabilities: 3.75 years

TERM STRUCTURE

The weighted average remaining term of the financial liabilities equals 3¾ years. The following graph shows the term structure for IMMOFINANZ as of 31 July 2016. The liabilities maturing in the abbreviated 2016 financial year were reported at EUR 268.3 million as 30 April 2016, whereby EUR 132.2 million were attributable to expiring project financing. Of this expiring project financing, 65% had already been addressed through refinancing, long-term extensions or cash inflows after new financing as of 31 July 2016.

TERM STRUCTURE OF FINANCIAL LIABILITIES BY FINANCIAL YEARS AS OF 31 JULY 2016



Cash and cash equivalents totalled EUR 795.2 million* as of 31 July 2016.

BANK LIABILITIES

Successful loan financing

Total volume of loan financing Q1 2016A: EUR 286.8 million

The total volume of refinancing, long-term extensions and cash inflows from new financing amounted to EUR 286.8 million in the first quarter.

The financing volume for the office properties totalled EUR 268.8 million in the first quarter, whereby EUR 153.8 million were related to standing investments. The existing financing for the *Vienna Twin Tower* was replaced before the end of the contract term and refinanced at EUR 120.0 million over a new term of 10 years. New financing of EUR 33.8 million was arranged for the *Nimbus* office building in Poland, and development financing of EUR 115.0 million was concluded for the *trivago Campus* in Germany.

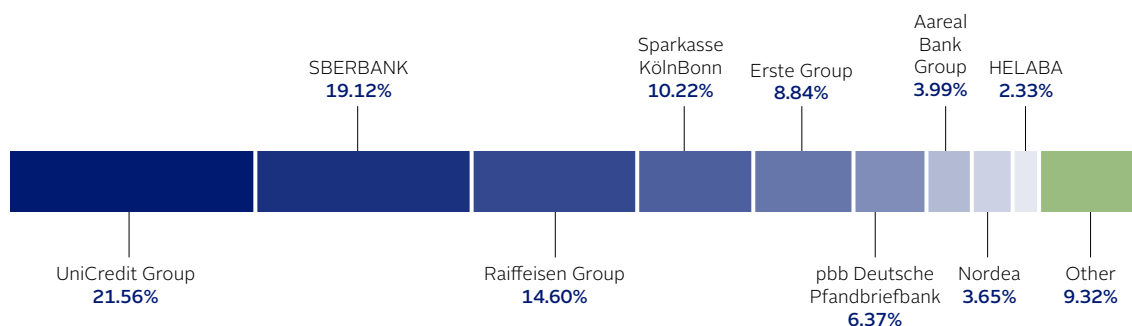
The retail properties had a total financing volume of EUR 18.0 million, which represented the premature refinancing and increase in the loan volume for the *Park Hostivar* shopping center in the Czech Republic.

The closing for the acquisition of approx. 26% of the shares in CA Immobilien Anlagen AG took place shortly after the end of the reporting period. Group financing was concluded with an international investment bank for this transaction, with the draw-down equalling EUR 210.0 million.

* Excluding cash and cash equivalents in discontinued operations and disposal groups

FINANCING BANKING GROUPS AS OF 31 JULY 2016

Diversification
of lenders



DERIVATIVES

IMMOFINANZ uses derivatives to hedge against interest rate increases. The volume of hedged financial liabilities amounted to EUR 1,240.6 million as of 31 July 2016 (30 April 2016: EUR 1,098.0 million). In total, 55.3% of financial liabilities are hedged against interest rate risk.

55.3% of financial
liabilities hedged
against interest
rate risk

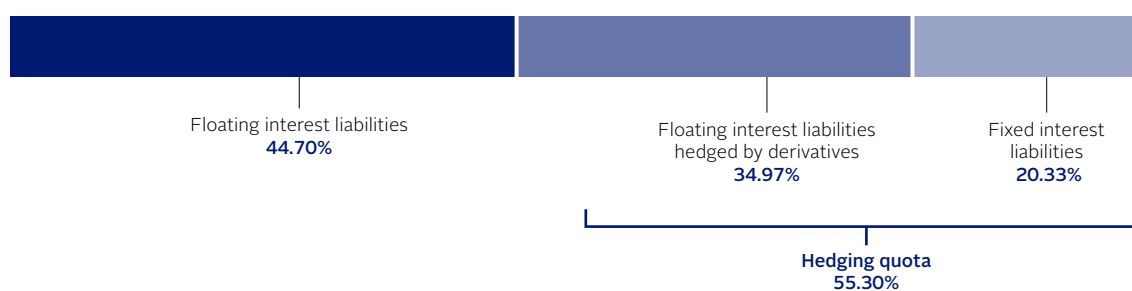
Derivative ¹	Floating leg	Market value incl. accrued interest & CVA/DVA as of 31 July 2016 in TEUR	Notional amount in TEUR	Average hedged interest rate
Interest rate swap	3-M-EURIBOR	-26,994.4	994,577.3	0.56%
Interest rate swap	6-M-EURIBOR	-8,336.7	245,980.0	0.91%
IMMOFINANZ AG		-35,331.1	1,240,557.3	

1 Incl. IFRS 5

A swap exchanges floating for fixed interest payments. Therefore, floating rate liabilities that are hedged with a swap can be regarded as fixed interest rate liabilities from an economic standpoint.

The interest rates used for discounting and the calculation of variable payment flows are based on interest rate curves for each currency and matching maturities that are observable on the market. In accordance with IFRS 13 (Fair Value Measurement), the resulting market values are adjusted to include a credit value adjustment (CVA) and a debt value adjustment (DVA).

FINANCIAL LIABILITIES – TYPE OF INTEREST AS OF 31 JULY 2016



Bonds with a total nominal value of EUR 628.5 million outstanding

BONDS

The outstanding nominal value of the bonds equalled EUR 628.5 million as of 31 July 2016 (30 April 2016: EUR 628.5 million).

IMMOFINANZ had two convertible bonds and one corporate bond outstanding as of 31 July 2016. These bonds are listed in the following table:

	ISIN	Maturity	Interest rate in %	Nominal value as of 30 April 2016 in TEUR	Conversions 2016 in TEUR	Repurchases/redemptions/conversions/new issues 2016 in TEUR	Nominal value as of 31 July 2016 in TEUR
Convertible bond 2007–2017 ²	XS0332046043	19.11.2017	3.75% ¹	21,400.0	0	0	21,400.0
Convertible bond 2011–2018 ²	XS0592528870	8.3.2018	4.25%	507,094.2	0	0	507,094.2
Corporate bond 2012–2017	AT0000A0VDP8	3.7.2017	5.25%	100,000.0	0	0	100,000.0
IMMOFINANZ				628,494.2	0	0	628,494.2

¹ Held to maturity (coupon 1.25%)

² 1 certificate from the convertible bond 2018 (nominal value: EUR 4.12) entitles the bondholder to conversion into 1.1573 IMMOFINANZ shares and 0.0629 BUWOG shares.

1 certificate from the convertible bond 2017 (nominal value: EUR 100,000.0) entitles the bondholder to conversion into 12,547.05 IMMOFINANZ shares and 691.44 BUWOG shares.

The terms for the conversion rights and the conversion prices of the convertible bonds due in 2017 and 2018 were amended with the spin-off of BUWOG AG from IMMOFINANZ AG on 26 April 2014. The revised terms give each bondholder the right to receive IMMOFINANZ shares as well as a proportional amount of BUWOG shares when the conversion right is exercised.

If dividends are paid by IMMOFINANZ or BUWOG in the future, the conversion rights to shares in IMMOFINANZ and BUWOG will be adjusted in accordance with the respective bond terms. The last adjustment was made to reflect the EUR 0.69 cash dividend per BUWOG share that was approved by the annual general meeting of BUWOG on 14 October 2015. The following calculation uses the 2018 convertible bond to explain this adjustment mechanism:

Sample calculation for the adjustment of the conversion price for the 2018 convertible bond to reflect the BUWOG dividend (dividend payment in October 2015)	BUWOG (in EUR)
Input factor "CP" old conversion price	3.40
Input factor "M" average market price	19.22
Input factor "V" dividend	0.69
Old number of shares currently underlying each 2018 convertible bond certificate	0.0606
New conversion price = $CP \times (M - V) / M$ = BUWOG: $3.40 \times (19.22 - 0.69) / 19.22$	3.28
New number of shares currently underlying each 2018 convertible bond certificate = Old number of underlying shares / (new conversion price / old conversion price) = BUWOG: $0.0606 / (3.28 / 3.40)$	0.0629

One certificate from the 2018 convertible bond (nominal value: EUR 4.12) currently entitles the bondholder to conversion into 1.1573 IMMOFINANZ shares and 0.0629 BUWOG shares.

One certificate from the 2017 convertible bond (nominal value: EUR 100,000.0) currently entitles the bondholder to conversion into 12,547.05 IMMOFINANZ shares and 691.44 BUWOG shares.

Earnings, Balance Sheet and Cash Flow Analysis

The operating results recorded by IMMOFINANZ were stable in year-on-year comparison at EUR 45.3 million in the first quarter of the abbreviated 2016 financial year (Q1 2015/16: EUR 46.9 million). Rental income fell from EUR 82.2 million to EUR 76.8 million due to temporary rent reductions in Moscow and the planned sale of properties. The results of asset management improved by 3.9% to EUR 54.5 million based on a decline in property expenses.

The foreign exchange-based revaluations of investment property totalled EUR -6.8 million and reflected the substantially more stable development of the Ruble in the first quarter of 2016A (Q1 2015/16: EUR 184.8 million). These adjustments resulted from the valuation of the Russian properties in US Dollars and the subsequent translation of the Ruble property values in the local Russian companies. The foreign exchange-adjusted revaluations amounted to EUR -4.4 million, compared with EUR 53.4 million in the first quarter of 2015/16 when the investment contract with the city of Moscow for the *GOODZONE* shopping center was settled. Operating profit (EBIT) for the first quarter of 2016A equalled EUR 32.8 million (Q1 2015/16: EUR 286.4 million).

Financial results totalled EUR 10.9 million (Q1 2015/16: EUR -106.8 million), in part due to a reduction in net financing costs, and include positive foreign exchange effects of EUR 11.9 million (Q1 2015/16 EUR -93.0 million). The negative effects of EUR -19.0 million recorded under other financial results are attributable primarily to the valuation of derivatives. They are contrasted by positive effects of EUR 55.3 million from equity-accounted investments, which represent the proportional share of earnings from BUWOG and the gain on the sale of approx. 18.5 million BUWOG shares. Net profit for the reporting period amounted to EUR 21.9 million (Q1 2015/16: EUR 115.0 million), and earnings per share (diluted) equalled EUR 0.02 (Q1 2015/16: EUR 0.11). The NAV per share equalled EUR 3.41 (Q1 2015/16: EUR 3.39).

Gross cash flow (before tax) declined by 8.9% from EUR 51.7 million to EUR 47.1 million. FFO1 (excluding the results of property sales) improved by 17.3% year-on-year to EUR 9.3 million, while FFO2 (including the results of property sales) rose to EUR 10.0 million (Q1 2015/16: EUR 9.0 million).

Cash and cash equivalents increased by EUR 423.6 million over the level on 30 April 2016 to EUR 795.2 million. That represents EUR 0.82 per share (excluding treasury shares) and resulted from the sale of 18.5 million BUWOG shares during the reporting period.

A detailed analysis is presented on the following pages.

INCOME STATEMENT

A condensed version of IMMOFINANZ's income statement for the first quarter of the abbreviated 2016 financial year and the first quarter of 2015/16 is presented in the following table:

All amounts in TEUR	Q1 2016A	Q1 2015/16
Rental income	76,813	82,178
Results of asset management	54,509	52,476
Results of property sales	676	1,027
Results of property development	-1,352	-1,936
Other operating income	4,063	8,332
Other operating expenses	-12,619	-12,955
Results of operations	45,277	46,944
Other revaluation results	-12,519	239,465
Operating profit (EBIT)	32,758	286,409
Financial results	10,914	-106,774
Earnings before tax (EBT)	43,672	179,635
Net profit for the period from continuing operations	22,964	109,188
Net profit from discontinued operations ¹	-1,100	5,837
Net profit for the period	21,864	115,025

1 Due to the sale of the logistics portfolio, the earnings contribution from these properties is now reported under net profit from discontinued operations.

RESULTS OF ASSET MANAGEMENT

The results of asset management include rental income, other revenues, operating income and operating costs as well as the expenses directly attributable to investment property. Rental income fell by 6.5% to EUR 76.8 million in the first quarter of the abbreviated 2016 (Q1 2015/16: EUR 82.2 million). This development is attributable, above all, to the decline in rental income from Russia, where IMMOFINANZ has granted temporary rent reductions to the tenants in its Moscow shopping centers, and to planned property sales. The rental income generated in Russia totalled EUR 18.3 million for the reporting period, compared with EUR 23.7 million in the first quarter 2015/16 and EUR 19.0 million in the fourth quarter of 2015/16.

Revenues reflected the development of rental income with a decline of 3.7% to EUR 103.4 million. The results of asset management rose by 3.9% year-on-year to EUR 54.5 million based on a decrease in property expenses, which were 21.0% lower than the previous year at EUR -25.5 million. Higher maintenance costs (EUR -6.2 million vs. EUR -3.0 million in Q1 2015/16) for the ongoing modernisation of office properties were offset by a reduction in the operating costs charged to building owners (EUR -4.3 million vs. EUR -8.4 million), which resulted, above all, from a decrease in property-based taxes. At EUR -2.3 million, the write-off of receivables in Russia was also substantially lower than the first quarter of 2015/16 (EUR -6.3 million). The outstanding balance of the rents receivable in Russia, after impairment losses, amounted to EUR 10.4 million as of 31 July 2016 (30 April 2016: EUR 11.1 million).

RESULTS OF PROPERTY SALES

The results of property sales totalled EUR 0.7 million for the reporting period (Q1 2015/16: EUR 1.0 million). The optimisation and adjustment of the portfolio was reflected in the sale of several residential properties and smaller office buildings in Austria.

RESULTS OF PROPERTY DEVELOPMENT

The results of property development cover the sale of real estate inventories as well as the valuation of development projects completed in 2015/16 or currently in progress. In the first quarter of 2016A, the results of property development totalled EUR -1.4 million (Q1 2015/16: EUR -1.9 million).

RESULTS OF OPERATIONS

The results of operations equalled EUR 45.3 million and remained stable in year-on-year comparison (Q1 2015/16: EUR 46.9 million). Other operating expenses totalled EUR -12.6 million, compared with EUR -13.0 million in the first quarter of 2015/16.

EBIT, FINANCIAL RESULTS AND EBT

EBIT totalled EUR 32.8 million (Q1 2015/16: EUR 286.4 million). The foreign exchange-adjusted revaluations amounted to EUR -4.4 million, compared with EUR 53.4 million in the first quarter of 2015/16 when the investment contract with the city of Moscow for the *GOODZONE* shopping center was settled. The foreign exchange-based revaluations amounted to EUR -6.8 million (Q1 2015/16: EUR 184.8 million). They originated almost entirely in Russia, since the Euro is the functional currency in all other core countries, and resulted from the valuation of the Russian properties in US Dollars and the subsequent translation of the Ruble property values in the local Russian companies. The substantial decline in the earnings contribution is a result of the more stable development of the Ruble exchange rate in the first quarter.

Financial results equalled EUR 10.9 million (Q1 2015/16: EUR -106.8 million). Financing costs declined to EUR -39.4 million (Q1 2015/16: EUR -43.9 million). Financial results also include foreign exchange effects of EUR 11.9 million (Q1 2015/16: EUR -93.0 million) which represent, more or less, a counterpart to the currency-related value decrease of EUR -6.8 million in the Russian portfolio. This development reflects the decline in the value of the foreign currency liabilities in the Russian subsidiaries caused by a stronger Ruble. Other financial results of EUR -19.0 million (Q1 2015/16: EUR 10.6 million) are attributable primarily to EUR -18.8 million from the valuation of derivatives.

The increase in the share of profit/loss from equity-accounted investments to EUR 55.3 million (Q1 2015/16: EUR 15.5 million) was related, in particular, to the proportional share of earnings from the BUWOG investment (EUR 21.1 million) and to a gain of EUR 34.1 million on the sale of 18.5 million BUWOG shares. Earnings before tax (EBT) equalled EUR 43.7 million (Q1 2015/16: EUR 179.6 million).

NET PROFIT

Income tax expense equalled EUR -20.7 million for the reporting period (Q1 2015/16: EUR -70.4 million). Net profit amounted to EUR 21.9 million (Q1 2015/16: 115.0 million), and diluted earnings per share equalled EUR 0.02 (Q1 2015/16: EUR 0.11).

BALANCE SHEET

The condensed balance sheet is shown below:

All amounts in TEUR	31 July 2016	in %	30 April 2016	in %
Investment property	4,874,523		4,961,845	
Property under construction	422,770	78.8%	410,043	80.1%
Real estate inventories	107,695		112,126	
Assets held for sale	411,381		323,158	
Other tangible assets	2,889	0.0%	2,908	0.0%
Intangible assets	106,319	1.4%	104,474	1.4%
Equity-accounted investments	202,047	2.7%	494,103	6.8%
Trade and other receivables	428,819	5.8%	432,367	6.0%
Other financial assets	13,012	0.2%	14,110	0.2%
Deferred tax assets	6,608	0.1%	6,306	0.1%
Income tax receivables	14,100	0.2%	13,719	0.2%
Cash and cash equivalents	795,243	10.8%	371,622	5.1%
ASSETS	7,385,406	100.0%	7,246,781	100.0%
Equity	2,910,385	39.4%	2,885,991	39.8%
Liabilities from convertible bonds	528,171	7.2%	520,234	7.2%
Financial liabilities	2,860,845	38.7%	2,775,923	38.3%
Trade and other payables	336,592	4.6%	326,882	4.5%
Income tax liabilities	36,320	0.5%	28,229	0.4%
Provisions	63,900	0.9%	58,961	0.8%
Deferred tax liabilities	468,921	6.3%	466,171	6.4%
Financial liabilities held for sale	180,272	2.4%	184,390	2.5%
EQUITY AND LIABILITIES	7,385,406	100.0%	7,246,781	100.0%

Assets totalled EUR 7.4 billion as of 31 July 2016 and comprise non-current assets of EUR 5.9 billion plus current assets of EUR 1.5 billion.

The value of the property portfolio amounted to EUR 5.8 billion and represented 78.8% of total assets as of 31 July 2016. These properties are reported on the balance sheet under the following positions: investment property, property under construction, real estate inventories and non-current assets held for sale. Non-current assets held for sale include properties as well as other assets which will be transferred to the buyer in the event of a sale.

Equity-accounted investments fell from EUR 494.1 million to EUR 202.0 million following the sale of approx. 18.5 million BUWOG shares. Cash and cash equivalents rose by EUR 423.6 million to EUR 795.2 million as of 30 April 2016. That represents EUR 0.82 per share (excluding treasury shares) and resulted from the sale of the BUWOG shares.

Equity totalled EUR 2.9 billion as of 31 July 2016 (30 April 2016: EUR 2.9 billion). The equity ratio equalled 39.4% as of 31 July 2016 (30 April 2016: 39.8%).

Liabilities totalled EUR 4.5 billion. The non-current component equalled EUR 3.4 billion and the current component EUR 1.1 billion.

CASH FLOW STATEMENT

The following table shows the condensed cash flow statement for the first quarter of 2016A and the first quarter of 2015/16:

All amounts in TEUR	Q1 2016A	Q1 2015/16
Gross cash flow after tax	45,586	67,978
Cash flow from operating activities	67,715	40,588
Thereof from discontinued operations	849	5,745
Cash flow from investing activities	339,831	118,887
Thereof from discontinued operations	-1,947	-740
Cash flow from financing activities	19,281	-48,714
Thereof from discontinued operations	139	-4,588

Gross cash flow (before tax) declined by 8.9% from EUR 51.7 million to EUR 47.1 million, while gross cash flow after tax equalled EUR 45.6 million (Q1 2015/16: EUR 68.0 million). The difference resulted chiefly from a tax reimbursement in Russia during the first quarter of the previous financial year.

Cash and cash equivalents rose by EUR 423.6 million over the level on 30 April 2016 to EUR 795.2 million as of 31 July 2016. That represents EUR 0.82 per share (excluding treasury shares) and is a result of the sale of the BUWOG shares.

FUNDS FROM OPERATIONS 1 & 2 (FFO 1 & 2)

All amounts in TEUR	Q1 2016A	Q1 2015/16	Change	Change in %
Gross cash flow before tax	47,086	51,696	-4,610	-8.9%
Gross cash flow before tax from discontinued operations	-561	-5,842	5,281	90.4%
Ancillary costs for property sales (included in gross cash flow, recognised through profit or loss)	1,075	2,077	-1,002	-48.2%
Expenses for investors' lawsuits	0	-276	276	n,a,
Dividends received from equity-accounted investments	107	0	107	n,a,
Interest and dividends received from financial instruments	1,497	1,774	-277	-15.6%
Interest paid	-30,239	-30,943	704	2.3%
Derivatives	-9,661	-10,557	896	8.5%
FFO 1	9,304	7,929	1,375	17.3%
Results of property sales	676	1,027	-351	-34.2%
FFO 2	9,980	8,956	1,024	11.4%

EPRA INDICATORS

NET ASSET VALUE (NAV) AND TRIPLE NET ASSET VALUE (NNNAV)

Net asset value (NAV) is calculated in accordance with the Best Practices Recommendations issued by the European Public Real Estate Association (EPRA). The EPRA NAV concept is used to present the fair value of equity on a long-term basis in order to give investors an overview of a company's sustainable asset position. The calculation of EPRA NAV also includes the undisclosed reserves in real estate inventories as well as the (negative) fair value of derivative financial instruments. Undisclosed reserves are not included in carrying amounts in accordance with IFRS accounting rules, while the (negative) fair values of derivative financial instruments regularly serve as a means of hedging long-term financing so these gains or losses will remain hypothetical as of the balance sheet date. The deferred taxes on these items are included. In accordance with the EPRA NAV concept, the calculation should include the deferred taxes that would be realised on the sale of property. Goodwill, which arises as a technical figure due to the recognition of deferred taxes on business combinations, is deducted.

Triple net asset value (NNNAV) is also calculated in accordance with the EPRA's Best Practices Recommendations. The calculation of EPRA NNNAV involves an adjustment to reverse the (negative) fair value of derivative financial instruments from the NAV calculation. In addition, financial liabilities are restated at their fair value. This calculation also includes the deduction of the deferred taxes expected from the sale of properties. Asset deals generally result in the full realisation of deferred taxes, while the assumption for sales through share deals is that IMMOFINANZ will (economically) bear 50% of the deferred tax liabilities.

The EPRA NNNAV calculation also includes the deferred taxes from the adjustments to derivative financial instruments and from the fair value measurement of financial liabilities. The objective is to give investors an overview of the current value of all assets and liabilities.

The results of the NAV and NNNAV calculations are shown below:

	31 July 2016		30 April 2016	
	in TEUR	in EUR per share	in TEUR	in EUR per share
Equity excl. non-controlling interests	2,921,532		2,891,536	
Diluting effects of convertible bonds and exercise of options	0		0	
Diluted equity excl. non-controlling interests after an adjustment for convertible bonds and the exercise of options	2,921,532		2,891,536	
Undisclosed reserves in real estate inventories	1,638		1,058	
Fair value of derivative financial instruments	59,712		47,154	
Deferred taxes on investment property	435,215		445,775	
Deferred taxes on real estate inventories and derivative financial instruments	-14,518		-11,320	
Goodwill excl. deferred taxes	-105,989		-104,084	
Number of shares excl. treasury shares (in 1,000)		965,956		965,956
EPRA NAV	3,297,589	3.41	3,270,119	3.39
Fair value of derivative financial instruments	-59,712		-47,154	
Effects of fair value measurement of financial liabilities	-20,380		-14,087	
Deferred taxes on derivative financial instruments and the fair value measurement of financial liabilities	19,225		14,642	
Deferred taxes on investment property	-41,160		-19,171	
EPRA NNNAV	3,195,563	3.31	3,204,349	3.32

The net asset value per share equalled EUR 3.41 as of 31 July 2016 (30 April 2016: EUR 3.39), whereby the increase resulted from the net profit recorded in the first quarter of 2016A. The triple net asset value per share declined from EUR 3.32 to EUR 3.31 as of 31 July 2016.

EPRA EARNINGS PER SHARE

All amounts in TEUR	31 July 2016	31 July 2015
Weighted average number of shares	965,956	980,303
Net profit excl. non-controlling interests	22,311	110,021
Revaluation of investment property and property under construction	11,432	-238,498
Results of property sales	-676	-1,026
Goodwill impairment, negative differences and earn-out effects on income	1,371	-1,251
Changes in fair value of financial instruments	17,838	-25,827
Acquisition costs for share deals	0	81
Taxes in respect of EPRA adjustments	-6,162	54,547
EPRA adjustment in respect of joint ventures and non-controlling interests	159	1,291
EPRA earnings	46,272	-100,662
EPRA earnings per share	0.05	-0.10
Company-specific adjustments		
Increase in provision for legal proceedings related to lawsuits by investors	0	276
Result from the repayment of the exchangeable bond for BUWOG shares	0	9,526
Foreign exchange gains and losses	-11,854	92,953
Deferred tax in respect of company-specific adjustments	2,069	-21,427
Company-specific adjusted EPRA earnings	36,487	-19,611
Company-specific adjusted EPRA earnings per share	0.04	-0.02

EPRA earnings per share equalled EUR 0.05 for the first quarter of 2016A and EUR 0.04 after company-specific adjustments.

EPRA NET INITIAL YIELD

All amounts in TEUR	31 July 2016	31 July 2015
Investment property	5,175,372	5,977,869
Investment property – share of joint ventures	48,250	99,962
Less undeveloped land	-201,780	-257,489
Less logistics portfolio	-29,159	-386,986
Less undeveloped land – share of joint ventures	-5,227	-8,849
Total property portfolio	4,987,456	5,424,506
Allowance for estimated purchasers' costs	89,774	108,490
Gross value of total property portfolio	5,077,231	5,532,996
Annualised cash rental income	312,488	314,265
Annualised cash rental income – share of joint ventures	1,346	7,641
Non-recoverable property operating expenses	-45,053	-61,825
Non-recoverable property operating expenses – share of joint ventures	-81	-922
Annualised net rental income	268,700	259,159
EPRA Net Initial Yield	5.3%	4.7%

The EPRA net initial yield rose substantially year-on-year from 4.7% to 5.3% as of 31 July 2016.

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Consolidated Balance Sheet

All amounts in TEUR	Notes	31 7 2016	30 4 2016
Investment property	4.1	4,874,523	4,961,845
Property under construction	4.2	422,770	410,043
Other tangible assets		2,889	2,908
Intangible assets		106,319	104,474
Equity-accounted investments	4.3	202,047	494,103
Trade and other receivables	4.4	249,579	245,499
Other financial assets		13,012	14,110
Deferred tax assets		6,608	6,306
Non-current assets		5,877,747	6,239,288
Trade and other receivables	4.4	179,240	186,868
Income tax receivables		14,100	13,719
Assets held for sale	4.5	411,381	323,158
Real estate inventories		107,695	112,126
Cash and cash equivalents		795,243	371,622
Current assets		1,507,659	1,007,493
Assets		7,385,406	7,246,781
Share capital		975,956	975,956
Capital reserves		3,353,263	3,353,263
Treasury shares		-18,214	-18,214
Accumulated other equity		-635,623	-639,690
Retained earnings		-753,850	-779,779
Equity attributable to owners of IMMOFINANZ AG		2,921,532	2,891,536
Non-controlling interests		-11,147	-5,545
Equity		2,910,385	2,885,991
Liabilities from convertible bonds	4.7	519,451	517,013
Financial liabilities	4.8	2,307,259	2,366,786
Trade and other payables	4.9	74,943	70,910
Income tax liabilities		0	19
Provisions		5,444	5,922
Deferred tax liabilities		468,921	466,171
Non-current liabilities		3,376,018	3,426,821
Liabilities from convertible bonds	4.7	8,720	3,221
Financial liabilities	4.8	553,586	409,137
Trade and other payables	4.9	261,649	255,972
Income tax liabilities		36,320	28,210
Provisions		58,456	53,039
Liabilities held for sale	4.5	180,272	184,390
Current liabilities		1,099,003	933,969
Equity and liabilities		7,385,406	7,246,781

Consolidated Income Statement

All amounts in TEUR	Notes	Q1 2016A	Q1 2015/16 ¹
Rental income	5.1	76,813	82,178
Operating costs charged to tenants		24,382	22,944
Other revenues		2,176	2,194
Revenues		103,371	107,316
Expenses from investment property	5.2	-25,508	-32,297
Operating expenses		-23,354	-22,543
Results of asset management		54,509	52,476
Proceeds from the sale of properties	5.3	57,268	133,029
Carrying amount of sold properties		-57,268	-133,029
Results from deconsolidation		-1,070	481
Expenses from property sales		-1,075	-2,077
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	5.6	1,437	3,105
Results of property sales before foreign exchange effects		-708	1,509
Revaluation of properties sold and held for sale resulting from foreign exchange effects	5.6	1,384	-482
Results of property sales		676	1,027
Proceeds from the sale of real estate inventories		10,823	10,653
Cost of real estate inventories sold		-9,925	-9,409
Expenses from real estate inventories		-976	-1,466
Expenses from real estate development		-991	-1,997
Revaluation of properties under construction adjusted for foreign exchange effects	5.6	-341	287
Results of property development before foreign exchange effects		-1,410	-1,932
Revaluation of properties under construction resulting from foreign exchange effects	5.6	58	-4
Results of property development		-1,352	-1,936
Other operating income	5.4	4,063	8,332
Other operating expenses	5.5	-12,619	-12,955
Results of operations		45,277	46,944
Revaluation of investment properties adjusted for foreign exchange effects	5.6	-4,356	53,376
Revaluation of investment properties resulting from foreign exchange effects	5.6	-6,792	184,838
Goodwill impairment, negative differences and earn-out effects on income		-1,371	1,251
Other revaluation results		-12,519	239,465
Operating profit (EBIT)		32,758	286,409
Financing costs	5.7	-39,376	-43,873
Financing income	5.7	2,149	3,943
Foreign exchange differences		11,854	-92,952
Other financial results	5.7	-19,018	10,602
Net profit or loss from equity-accounted investments	4.3	55,305	15,506
Financial results	5.7	10,914	-106,774
Earnings before tax (EBT)		43,672	179,635
Current income tax		-24,108	-5,107
Deferred tax		3,400	-65,340
Net profit or loss from continuing operations		22,964	109,188
Net profit or loss from discontinued operations	2.2	-1,100	5,837
Net profit or loss		21,864	115,025
Thereof attributable to owners of IMMOFINANZ AG		21,211	115,871
Thereof attributable to non-controlling interests		653	-846
Basic earnings per share in EUR		0.022	0.118
Net profit or loss from continuing operations per share in EUR		0.023	0.112
Net profit or loss from discontinued operations per share in EUR		-0.001	0.006
Diluted earnings per share in EUR		0.022	0.110
Net profit or loss from continuing operations per share in EUR		0.023	0.105
Net profit or loss from discontinued operations per share in EUR		-0.001	0.005

¹ The comparable prior year figures were adjusted accordingly (see section 1.2).

Consolidated Statement of Comprehensive Income

All amounts in TEUR	Notes	Q1 2016A	Q1 2015/16 ¹
Net profit or loss		21,864	115,025
Other comprehensive income (reclassifiable)			
Measurement of available-for-sale financial instruments		0	-10
Thereof changes during the financial year		0	-13
Thereof income taxes		0	3
Currency translation adjustment		2,494	-51,014
Thereof changes during the financial year		618	-50,940
Thereof reclassification to profit or loss	2.2	1,876	-74
Other comprehensive income from equity-accounted investments	4.3	-37	371
Thereof changes during the financial year		-37	349
Thereof reclassification to profit or loss	4.3	0	22
Total other comprehensive income (reclassifiable)		2,457	-50,653
Other comprehensive income (not reclassifiable)			
Other comprehensive income from equity-accounted investments	4.3	81	-452
Thereof changes during the financial year		86	-497
Thereof income taxes		-5	45
Total other comprehensive income (not reclassifiable)		81	-452
Total other comprehensive income after tax		2,538	-51,105
Total comprehensive income		24,402	63,920
Thereof attributable to owners of IMMOFINANZ AG		25,287	64,226
Thereof attributable to non-controlling interests		-885	-306

¹ The comparable prior year figures were adjusted accordingly (see section 1.2).

Consolidated Cash Flow Statement

All amounts in TEUR	Notes	Q1 2016A	Q1 2015/16 ¹
Earnings before tax (EBT)		43,672	179,635
Earnings before tax (EBT) from discontinued operations	2.2	-1,198	7,378
Revaluations of investment properties	2.2 / 5.6	9,773	-244,597
Goodwill impairment, negative differences and earn-out effects on income		1,371	-1,251
Write-downs and write-ups on real estate inventories		423	485
Write-downs and write-ups on receivables and other assets		5,041	13,163
Net profit or loss from equity-accounted investments	4.3	-55,304	-15,507
Foreign exchange differences and fair value measurement of financial instruments		6,025	76,885
Net interest income/expense		37,293	42,418
Results from deconsolidation		1,070	-482
Other non-cash income/expense		-1,080	-6,431
Gross cash flow before tax		47,086	51,696
Income taxes paid		-1,500	16,282
Gross cash flow after tax		45,586	67,978
Change in real estate inventories		4,320	2,192
Change in trade and other receivables		29,681	-7,316
Change in trade payables and other liabilities		-2,422	-23,593
Change in provisions		-9,450	1,327
Cash flow from operating activities		67,715	40,588
Acquisition of investment property and property under construction		-33,534	-92,914
Business combinations and other acquisitions, net of cash and cash equivalents		15	-922
Consideration transferred from disposal of subsidiaries, net of cash and cash equivalents		1,721	69,332
Acquisition of other non-current assets		-392	-3,839
Disposal of investment property and property under construction		23,785	132,371
Disposal of other non-current assets		708	13,067
Disposal of equity-accounted investments and cash flows from other net investment positions	4.3	345,924	18
Dividends received from equity-accounted investments	4.3	107	0
Interest or dividends received from financial instruments		1,497	1,774
Cash flow from investing activities		339,831	118,887
Increase in financial liabilities		212,019	297,687
Repayment of financial liabilities		-152,838	-263,714
Transactions with non-controlling interest owners		0	366
Derivatives		-9,661	-10,557
Interest paid		-30,239	-30,943
Share buyback		0	-41,553
Cash flow from financing activities		19,281	-48,714
Net foreign exchange differences		-1,831	182
Change in cash and cash equivalents		424,996	110,943
Cash and cash equivalents at the beginning of the period		378,762	390,703
Cash and cash equivalents at the end of the period		803,758	501,646
Less cash and cash equivalents in discontinued operations and disposal groups		8,515	-8,883
Cash and cash equivalents at the end of the period (consolidated balance sheet item)		795,243	510,529

¹ The comparable prior year figures were adjusted accordingly (see section 1.2).

Statement of Changes in Equity

All amounts in TEUR	Notes	Share capital	Capital reserves	Treasury shares
Balance on 30 April 2016 (adjusted)		975,956	3,353,263	-18,214
Other comprehensive income	4.6			
Net profit or loss				
Total comprehensive income				
Transactions with non-controlling interest owners	7			
Disposal of non-controlling interests				
Balance on 31 July 2016		975,956	3,353,263	-18,214
Balance on 30 April 2015		1,114,172	3,473,570	-216,971
Retrospective adjustment to IAS 8 – revaluation reserve	1.2			
Retrospective adjustment to IAS 8 – deferred taxes	1.2			
Balance on 30 April 2015 (adjusted)		1,114,172	3,473,570	-216,971
Other comprehensive income	4.6			
Net profit or loss				
Retrospective adjustment to IAS 8 – deferred taxes	1.2			
Net profit or loss (adjusted)				
Total comprehensive income (adjusted)				
Share buyback				-41,553
Transactions with non-controlling interest owners				
Disposal of non-controlling interests				
Balance on 31 July 2015 (adjusted)		1,114,172	3,473,570	-258,524

	Accumulated other equity				Retained earnings	Total	Non-controlling interests	Total equity
	Revaluation reserve	AFS reserve	IAS 19 reserve	Currency translation reserve				
	0	0	-529	-639,161	-779,779	2,891,536	-5,545	2,885,991
			81	3,995		4,076	-1,538	2,538
					21,211	21,211	653	21,864
			81	3,995	21,211	25,287	-885	24,402
					4,718	4,718	-4,718	0
				-9		-9	1	-8
	0	0	-448	-635,175	-753,850	2,921,532	-11,147	2,910,385
	3,321	18	-80	-472,741	-199,482	3,701,807	-2,253	3,699,554
	-3,321				3,321			0
					-195,474	-195,474		-195,474
	0	18	-80	-472,741	-391,635	3,506,333	-2,253	3,504,080
		-10	-452	-51,183		-51,645	540	-51,105
					127,002	127,002	-846	126,156
					-11,131	-11,131		-11,131
					115,871	115,871	-846	115,025
		-10	-452	-51,183	115,871	64,226	-306	63,920
						-41,553		-41,553
							366	366
							27	27
	0	8	-532	-523,924	-275,764	3,529,006	-2,166	3,526,840

NOTES

1. Basis of Preparation

The consolidated interim financial statements of IMMOFINANZ as of 31 July 2016 were prepared for the first quarter from 1 May to 31 July 2016 (Q1 2016A) and in accordance with the International Financial Reporting Standards (IFRS) which were adopted by the EU and are applicable to interim reporting.

The annual general meeting on 1 December 2015 approved an amendment to § 23 of the articles of association of IMMOFINANZ AG to change the previous financial year (1 May to 30 April of each year) to the calendar year and to create an abbreviated financial year covering the period from 1 May 2016 to 31 December 2016. Starting on 1 January 2017, the financial year of IMMOFINANZ AG will begin on 1 January of each year and end on 31 December and therefore reflect the calendar year.

The condensed scope of reporting in these consolidated interim financial statements is in agreement with IAS 34. Information on the application of IFRS, on the significant accounting policies and on further disclosures is provided in the consolidated financial statements of IMMOFINANZ as of 30 April 2016, which form the basis for these consolidated interim financial statements.

These consolidated interim financial statements of IMMOFINANZ were not subjected to a full audit or review by the auditor, Deloitte Audit Wirtschaftsprüfungs GmbH.

The consolidated interim financial statements are presented in thousand Euros ("TEUR", rounded). The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

1.1 FIRST-TIME APPLICATION OF STANDARDS AND INTERPRETATIONS

The following new or revised standards and interpretations were applied for the first time in the abbreviated financial year:

Standard	Content	Published by the IASB (adopted by the EU)	Mandatory application for IMMOFINANZ	Effects on IMMOFINANZ
Changes to standards and interpretations				
Various	Annual Improvements to IFRS 2012 – 2014	25 September 2014 (15 December 2015)	1 May 2016	yes
IFRS 11	Accounting for Acquisitions of Interests in Joint Operations	6 May 2014 (24 November 2015)	1 May 2016	yes
IAS 16, 38	Clarification of Acceptable Methods of Depreciation and Amortisation	12 May 2014 (2 December 2015)	1 May 2016	no
IAS 16, 41	Agriculture: Bearer Plants	30 June 2014 (23 November 2015)	1 May 2016	no
IAS 27	Equity Method in Separate Financial Statements	12 August 2014 (18 December 2015)	1 May 2016	no
IAS 1	Disclosure Initiative	18 December 2014 (18 December 2015)	1 May 2016	yes

The changes in IFRS resulting from the 2012–2014 improvement cycles did not have a material effect on the consolidated interim financial statements of IMMOFINANZ. Many of the clarifications in IAS 1 were implemented in the consolidated financial statements as of 30 April 2016; the effects on the consolidated interim financial statements of IMMOFINANZ are not material. The initial application of the changes to IFRS 11 took place prospectively. There was no specific application of the respective standard changes in the first quarter of 2016A.

1.2 CHANGE IN COMPARATIVE INFORMATION

The retrospective adjustment of the comparative information in IMMOFINANZ's consolidated financial statements as of 30 April 2016, which was made in accordance with IAS 8, is also presented in the comparable period for IMMOFINANZ's consolidated interim financial statements as of 31 July 2016. Detailed information on the form of presentation and correction of errors is provided in IMMOFINANZ's consolidated financial statements as of 30 April 2016.

The following changes were made in the comparable period presented in these consolidated interim financial statements:

- > Statement of changes in equity: presentation of the previously reported revaluation reserve of EUR 3.3 million as part of retained earnings
- > Consolidated cash flow statement: an improvement in the overall presentation of cash flows and (to a limited extent) a change in the allocation of certain cash flows
- > Deferred tax assets: correction of an error resulting from the higher recognition of deferred tax assets on unused tax losses and deductible temporary partial depreciation charges on investments ("Siebentelabschreibungen") due to the incorrect application of the 75% loss carryforward limit in the Austrian tax group. The revised amounts are provided in the statement of changes in equity.
- > Discontinued operations: separate presentation of the logistics portfolio (see section 2.2) on the income statement.

2. Scope of Consolidation

2.1 DEVELOPMENT OF THE SCOPE OF CONSOLIDATION

The following table shows the development of the scope of consolidation during the first quarter of 2016A:

Scope of consolidation	Subsidiaries full consolidation	Joint ventures at equity	Associates at equity	Total
Balance on 30 April 2016	536	19	13	568
Companies initially included				
Other acquisitions	2	-2	0	0
New foundations	1	0	0	1
Companies no longer included				
Sales	-5	0	1	-4
Liquidations	-7	-1	0	-8
Balance on 31 July 2016	527	16	14	557
Thereof foreign companies	323	12	8	343

Initially consolidated subsidiaries which do not constitute a business on the acquisition date are not considered business combinations in the sense of IFRS 3 and are included in the above table as other acquisitions. These other acquisitions generally represent purchases of shell companies and pure land-owning companies.

2.2 DISCONTINUED OPERATIONS

On 6 August 2015 the Executive Board and Supervisory Board of IMMOFINANZ approved the decision to sell the Group's logistics portfolio. This step is a consequence of IMMOFINANZ's strategic reorientation, which involves a focus on the retail and office asset classes in the future. IMMOFINANZ's logistics portfolio therefore represents a discontinued operation as defined in IFRS 5. The signing for the sale of the logistics portfolio to Blackstone, an investment company, took place on 31 October 2015, and the closing for most of the included properties followed during the remainder of the previous financial year. The parts of the logistics portfolio that had not been formally sold by 30 April 2016 were reported as assets held for sale or disposal groups in the consolidated financial statements as of 30 April 2016. There were no further closings during the first quarter of 2016A (see section 4.5). The consideration is expected to total approx. EUR 57.4 million.

The following table shows the results from discontinued operations in the first quarter of 2016A (Q1 2015/16):

All amounts in TEUR	Q1 2016A	Q1 2015/16
Revenues	569	11,470
Expenses from asset management	-349	-4,348
Results of asset management	220	7,122
Proceeds from the sale of properties	0	41
Carrying amount of sold properties	0	-41
Revaluation of properties sold and held for sale	0	-20
Results of property sales	0	-20
Expenses from property development and inventories	-351	0
Revaluation of properties under construction adjusted for foreign exchange effects	-633	-22
Results of property development	-984	-22
Other operating income	34	103
Other operating expenses	1	-513
Results of operations	-729	6,670
Revaluation of investment properties adjusted for foreign exchange effects	-531	941
Revaluation of investment properties resulting from foreign exchange effects	0	2,579
Other revaluation results	-531	3,520
Operating profit (EBIT)	-1,260	10,190
Financial results	62	-2,812
Earnings before tax (EBT)	-1,198	7,378
Income taxes	98	-1,541
Net profit or loss from discontinued operations	-1,100	5,837
Thereof attributable to owners of IMMOFINANZ AG	-1,100	5,850
Thereof attributable to non-controlling interests	0	-13

The cash flow statement for the discontinued operations can be summarised as follows:

All amounts in TEUR	Q1 2016A	Q1 2015/16
Cash flow from operating activities	849	5,745
Cash flow from investing activities	-1,947	-740
Cash flow from financing activities	139	-4,588
Net cash flow from discontinued operations	-959	417

3. Segment Reporting

The following information on the reportable segments of IMMOFINANZ is based on the continuing operations and therefore excludes the logistics portfolio. Segment assets also include investment property held for sale.

All amounts in TEUR	Austria		Germany	
	Q1 2016A	Q1 2015/16	Q1 2016A	Q1 2015/16 ¹
Office	8,638	8,609	1,188	526
Retail	5,671	6,409	126	139
Other	1,650	2,733	570	750
Rental income	15,959	17,751	1,884	1,415
Operating costs charged to tenants	2,883	2,905	755	498
Other revenues	422	396	87	36
Revenues	19,264	21,052	2,726	1,949
Expenses from investment property	-6,884	-4,898	-1,143	-1,309
Operating expenses	-2,903	-3,002	-736	-514
Results of asset management	9,477	13,152	847	126
Proceeds from the sale of properties	53,108	127,758	0	2,927
Carrying amount of sold properties	-53,108	-127,758	0	-2,927
Results from deconsolidation	-6	-14	0	0
Expenses from property sales	-815	-1,543	-39	-27
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	8,115	1,445	-4,129	-80
Results of property sales before foreign exchange effects	7,294	-112	-4,168	-107
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0	0	0	0
Results of property sales	7,294	-112	-4,168	-107
Proceeds from the sale of real estate inventories	0	0	6,798	6,425
Cost of real estate inventories sold	0	0	-6,183	-6,018
Expenses from real estate inventories	0	0	-674	-1,228
Expenses from real estate development	-96	-98	-27	-194
Revaluation of properties under construction adjusted for foreign exchange effects	-92	-29	-109	-43
Results of property development before foreign exchange effects	-188	-127	-195	-1,058
Revaluation of properties under construction resulting from foreign exchange effects	0	0	0	0
Results of property development	-188	-127	-195	-1,058
Other operating income	328	644	5	27
Other operating expenses	-463	-734	-868	-427
Results of operations	16,448	12,823	-4,379	-1,439
Revaluation of investment properties adjusted for foreign exchange effects	-29	-71	-246	-214
Revaluation of investment properties resulting from foreign exchange effects	0	0	0	0
Goodwill impairment, negative differences and earn-out effects on income	0	0	0	0
Other revaluation results	-29	-71	-246	-214
Operating profit (EBIT)	16,419	12,752	-4,625	-1,653
	31 7 2016	30 4 2016	31 7 2016	30 4 2016
Investment property	1,047,191	1,116,359	83,704	135,900
Property under construction	35,022	34,700	263,746	256,180
Goodwill	0	0	0	0
Investment properties held for sale	47,540	23,245	88,323	22,985
Real estate inventories	259	143	91,500	92,560
Segment assets	1,130,012	1,174,447	527,273	507,625
	Q1 2016A	Q1 2015/16	Q1 2016A	Q1 2015/16
Segment investments	527	5,876	23,384	11,929

¹ The comparable prior year figures were adjusted accordingly (see section 1.2).

All amounts in TEUR	Poland		Czech Republic	
	Q1 2016A	Q1 2015/16 ¹	Q1 2016A	Q1 2015/16
Office	6,490	4,138	3,510	3,916
Retail	3,523	2,842	2,466	2,724
Other	729	534	368	434
Rental income	10,742	7,514	6,344	7,074
Operating costs charged to tenants	4,837	3,035	1,742	1,732
Other revenues	456	227	36	63
Revenues	16,035	10,776	8,122	8,869
Expenses from investment property	-2,437	-1,980	-1,321	-2,063
Operating expenses	-4,564	-2,722	-1,708	-1,682
Results of asset management	9,034	6,074	5,093	5,124
Proceeds from the sale of properties	0	0	0	0
Carrying amount of sold properties	0	0	0	0
Results from deconsolidation	0	0	0	409
Expenses from property sales	-29	-70	-31	-184
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	-1,424	0	0	953
Results of property sales before foreign exchange effects	-1,453	-70	-31	1,178
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0	0	0	0
Results of property sales	-1,453	-70	-31	1,178
Proceeds from the sale of real estate inventories	1,452	2,007	0	0
Cost of real estate inventories sold	-1,222	-1,635	0	0
Expenses from real estate inventories	-88	-230	0	0
Expenses from real estate development	-404	-610	-43	-101
Revaluation of properties under construction adjusted for foreign exchange effects	-94	328	-2	109
Results of property development before foreign exchange effects	-356	-140	-45	8
Revaluation of properties under construction resulting from foreign exchange effects	0	0	0	0
Results of property development	-356	-140	-45	8
Other operating income	2,481	14	6	14
Other operating expenses	-624	-540	-442	-429
Results of operations	9,082	5,338	4,581	5,895
Revaluation of investment properties adjusted for foreign exchange effects	294	-275	-116	10
Revaluation of investment properties resulting from foreign exchange effects	0	0	0	0
Goodwill impairment, negative differences and earn-out effects on income	-170	0	-84	1,866
Other revaluation results	124	-275	-200	1,876
Operating profit (EBIT)	9,206	5,063	4,381	7,771
	31 7 2016	30 4 2016	31 7 2016	30 4 2016
Investment property	593,054	590,210	424,200	424,200
Property under construction	12,746	11,387	21,478	21,400
Goodwill	1,041	1,212	9,893	9,977
Investment properties held for sale	158,915	159,243	0	0
Real estate inventories	12,919	13,901	0	0
Segment assets	778,675	775,953	455,571	455,577
	Q1 2016A	Q1 2015/16	Q1 2016A	Q1 2015/16
Segment investments	3,718	9,371	78	-109

¹ The comparable prior year figures were adjusted accordingly (see section 1.2).

All amounts in TEUR	Slovakia		Hungary	
	Q1 2016A	Q1 2015/16 ¹	Q1 2016A	Q1 2015/16 ¹
Office	478	253	3,220	2,822
Retail	3,247	3,392	3,023	2,924
Other	58	56	253	400
Rental income	3,783	3,701	6,496	6,146
Operating costs charged to tenants	2,333	1,724	2,516	2,403
Other revenues	187	92	196	41
Revenues	6,303	5,517	9,208	8,590
Expenses from investment property	-992	-1,114	-2,164	-2,156
Operating expenses	-2,107	-1,435	-2,400	-2,324
Results of asset management	3,204	2,968	4,644	4,110
Proceeds from the sale of properties	0	0	163	0
Carrying amount of sold properties	0	0	-163	0
Results from deconsolidation	-89	0	-1,603	0
Expenses from property sales	-2	-5	-31	-42
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	0	0	47	0
Results of property sales before foreign exchange effects	-91	-5	-1,587	-42
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0	0	0	0
Results of property sales	-91	-5	-1,587	-42
Proceeds from the sale of real estate inventories	0	0	0	0
Cost of real estate inventories sold	0	0	0	0
Expenses from real estate inventories	0	0	0	0
Expenses from real estate development	26	-2	-15	8
Revaluation of properties under construction adjusted for foreign exchange effects	-7	0	-10	-30
Results of property development before foreign exchange effects	19	-2	-25	-22
Revaluation of properties under construction resulting from foreign exchange effects	0	0	0	0
Results of property development	19	-2	-25	-22
Other operating income	236	32	11	74
Other operating expenses	-324	-185	-196	-365
Results of operations	3,044	2,808	2,847	3,755
Revaluation of investment properties adjusted for foreign exchange effects	-2,159	-51	919	75
Revaluation of investment properties resulting from foreign exchange effects	0	0	0	0
Goodwill impairment, negative differences and earn-out effects on income	0	0	-87	0
Other revaluation results	-2,159	-51	832	75
Operating profit (EBIT)	885	2,757	3,679	3,830
	31 7 2016	30 4 2016	31 7 2016	30 4 2016
Investment property	176,260	178,080	473,785	473,000
Property under construction	44,925	44,400	3,200	3,080
Goodwill	209	209	3,213	3,300
Investment properties held for sale	0	0	0	0
Real estate inventories	0	0	0	0
Segment assets	221,394	222,689	480,198	479,380
	Q1 2016A	Q1 2015/16	Q1 2016A	Q1 2015/16
Segment investments	643	2,917	161	669

¹ The comparable prior year figures were adjusted accordingly (see section 1.2).

All amounts in TEUR	Romania		Russia	
	Q1 2016A	Q1 2015/16 ¹	Q1 2016A	Q1 2015/16 ¹
Office	4,689	4,350	0	0
Retail	5,754	5,201	18,318	23,684
Other	1,050	1,623	9	17
Rental income	11,493	11,174	18,327	23,701
Operating costs charged to tenants	4,554	4,363	4,398	6,082
Other revenues	518	467	230	731
Revenues	16,565	16,004	22,955	30,514
Expenses from investment property	-2,723	-3,720	-7,129	-13,239
Operating expenses	-4,484	-4,322	-4,108	-6,251
Results of asset management	9,358	7,962	11,718	11,024
Proceeds from the sale of properties	3,673	2,115	0	0
Carrying amount of sold properties	-3,673	-2,115	0	0
Results from deconsolidation	0	0	0	0
Expenses from property sales	-26	-43	-4	-1
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	-407	729	0	0
Results of property sales before foreign exchange effects	-433	686	-4	-1
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0	0	0	0
Results of property sales	-433	686	-4	-1
Proceeds from the sale of real estate inventories	2,248	1,885	0	0
Cost of real estate inventories sold	-1,870	-1,440	0	0
Expenses from real estate inventories	-208	-56	0	0
Expenses from real estate development	-250	-373	-58	-499
Revaluation of properties under construction adjusted for foreign exchange effects	-1	0	0	0
Results of property development before foreign exchange effects	-81	16	-58	-499
Revaluation of properties under construction resulting from foreign exchange effects	0	0	0	0
Results of property development	-81	16	-58	-499
Other operating income	238	6,645	13	262
Other operating expenses	-939	-1,583	-1,670	-1,123
Results of operations	8,143	13,726	9,999	9,663
Revaluation of investment properties adjusted for foreign exchange effects	-503	-88	-2,475	54,030
Revaluation of investment properties resulting from foreign exchange effects	0	0	-6,759	184,612
Goodwill impairment, negative differences and earn-out effects on income	-312	0	-714	0
Other revaluation results	-815	-88	-9,948	238,642
Operating profit (EBIT)	7,328	13,638	51	248,305
	31 7 2016	30 4 2016	31 7 2016	30 4 2016
Investment property	812,188	816,601	1,156,373	1,118,779
Property under construction	33,186	31,220	0	0
Goodwill	13,911	14,223	76,696	74,138
Investment properties held for sale	20,506	19,665	0	0
Real estate inventories	2,830	4,687	0	0
Segment assets	882,621	886,396	1,233,069	1,192,917
	Q1 2016A	Q1 2015/16	Q1 2016A	Q1 2015/16
Segment investments	1,966	5,905	8	57,253

¹ The comparable prior year figures were adjusted accordingly (see section 1.2).

All amounts in TEUR	Other non-core countries		Total reportable segments	
	Q1 2016A	Q1 2015/16 ¹	Q1 2016A	Q1 2015/16 ¹
Office	42	426	28,255	25,040
Retail	1,656	1,019	43,784	48,334
Other	87	2,257	4,774	8,804
Rental income	1,785	3,702	76,813	82,178
Operating costs charged to tenants	364	202	24,382	22,944
Other revenues	44	141	2,176	2,194
Revenues	2,193	4,045	103,371	107,316
Expenses from investment property	-715	-1,818	-25,508	-32,297
Operating expenses	-344	-291	-23,354	-22,543
Results of asset management	1,134	1,936	54,509	52,476
Proceeds from the sale of properties	324	229	57,268	133,029
Carrying amount of sold properties	-324	-229	-57,268	-133,029
Results from deconsolidation	628	86	-1,070	481
Expenses from property sales	-98	-162	-1,075	-2,077
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	-765	58	1,437	3,105
Results of property sales before foreign exchange effects	-235	-18	-708	1,509
Revaluation of properties sold and held for sale resulting from foreign exchange effects	1,384	-482	1,384	-482
Results of property sales	1,149	-500	676	1,027
Proceeds from the sale of real estate inventories	325	336	10,823	10,653
Cost of real estate inventories sold	-650	-316	-9,925	-9,409
Expenses from real estate inventories	-6	48	-976	-1,466
Expenses from real estate development	-124	-128	-991	-1,997
Revaluation of properties under construction adjusted for foreign exchange effects	-26	-48	-341	287
Results of property development before foreign exchange effects	-481	-108	-1,410	-1,932
Revaluation of properties under construction resulting from foreign exchange effects	58	-4	58	-4
Results of property development	-423	-112	-1,352	-1,936
Other operating income	51	617	3,369	8,329
Other operating expenses	-501	-1,066	-6,027	-6,452
Results of operations	1,410	875	51,175	53,444
Revaluation of investment properties adjusted for foreign exchange effects	-41	-40	-4,356	53,376
Revaluation of investment properties resulting from foreign exchange effects	-33	226	-6,792	184,838
Goodwill impairment, negative differences and earn-out effects on income	-4	-615	-1,371	1,251
Other revaluation results	-78	-429	-12,519	239,465
Operating profit (EBIT)	1,332	446	38,656	292,909
	31 7 2016	30 4 2016	31 7 2016	30 4 2016
Investment property	107,768	108,716	4,874,523	4,961,845
Property under construction	8,467	7,676	422,770	410,043
Goodwill	1,026	1,025	105,989	104,084
Investment properties held for sale	23,686	24,778	338,970	249,916
Real estate inventories	187	835	107,695	112,126
Segment assets	141,134	143,030	5,849,947	5,838,014
	Q1 2016A	Q1 2015/16	Q1 2016A	Q1 2015/16
Segment investments	1,673	73	32,158	93,884

¹ The comparable prior year figures were adjusted accordingly (see section 1.2).

All amounts in TEUR	Total reportable segments		Transition to consolidated financial statements		IMMOFINANZ	
	Q1 2016A	Q1 2015/16 ¹	Q1 2016A	Q1 2015/16 ¹	Q1 2016A	Q1 2015/16 ¹
Office	28,255	25,040	0	0	28,255	25,040
Retail	43,784	48,334	0	0	43,784	48,334
Other	4,774	8,804	0	0	4,774	8,804
Rental income	76,813	82,178	0	0	76,813	82,178
Operating costs charged to tenants	24,382	22,944	0	0	24,382	22,944
Other revenues	2,176	2,194	0	0	2,176	2,194
Revenues	103,371	107,316	0	0	103,371	107,316
Expenses from investment property	-25,508	-32,297	0	0	-25,508	-32,297
Operating expenses	-23,354	-22,543	0	0	-23,354	-22,543
Results of asset management	54,509	52,476	0	0	54,509	52,476
Proceeds from the sale of properties	57,268	133,029	0	0	57,268	133,029
Carrying amount of sold properties	-57,268	-133,029	0	0	-57,268	-133,029
Results from deconsolidation	-1,070	481	0	0	-1,070	481
Expenses from property sales	-1,075	-2,077	0	0	-1,075	-2,077
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	1,437	3,105	0	0	1,437	3,105
Results of property sales before foreign exchange effects	-708	1,509	0	0	-708	1,509
Revaluation of properties sold and held for sale resulting from foreign exchange effects	1,384	-482	0	0	1,384	-482
Results of property sales	676	1,027	0	0	676	1,027
Proceeds from the sale of real estate inventories	10,823	10,653	0	0	10,823	10,653
Cost of real estate inventories sold	-9,925	-9,409	0	0	-9,925	-9,409
Expenses from real estate inventories	-976	-1,466	0	0	-976	-1,466
Expenses from real estate development	-991	-1,997	0	0	-991	-1,997
Revaluation of properties under construction adjusted for foreign exchange effects	-341	287	0	0	-341	287
Results of property development before foreign exchange effects	-1,410	-1,932	0	0	-1,410	-1,932
Revaluation of properties under construction resulting from foreign exchange effects	58	-4	0	0	58	-4
Results of property development	-1,352	-1,936	0	0	-1,352	-1,936
Other operating income	3,369	8,329	694	3	4,063	8,332
Other operating expenses	-6,027	-6,452	-6,592	-6,503	-12,619	-12,955
Results of operations	51,175	53,444	-5,898	-6,500	45,277	46,944
Revaluation of investment properties adjusted for foreign exchange effects	-4,356	53,376	0	0	-4,356	53,376
Revaluation of investment properties resulting from foreign exchange effects	-6,792	184,838	0	0	-6,792	184,838
Goodwill impairment, negative differences and earn-out effects on income	-1,371	1,251	0	0	-1,371	1,251
Other revaluation results	-12,519	239,465	0	0	-12,519	239,465
Operating profit (EBIT)	38,656	292,909	-5,898	-6,500	32,758	286,409
	31 7 2016	30 4 2016	31 7 2016	30 4 2016	31 7 2016	30 4 2016
Investment property	4,874,523	4,961,845	0	0	4,874,523	4,961,845
Property under construction	422,770	410,043	0	0	422,770	410,043
Goodwill	105,989	104,084	0	0	105,989	104,084
Investment properties held for sale	338,970	249,916	0	0	338,970	249,916
Real estate inventories	107,695	112,126	0	0	107,695	112,126
Segment assets	5,849,947	5,838,014	0	0	5,849,947	5,838,014
	Q1 2016A	Q1 2015/16	Q1 2016A	Q1 2015/16	Q1 2016A	Q1 2015/16
Segment investments	32,158	93,884	0	0	32,158	93,884

¹ The comparable prior year figures were adjusted accordingly (see section 1.2).

4. Notes to the Consolidated Balance Sheet

4.1 INVESTMENT PROPERTY

The development of investment properties during the first quarter of 2016A is shown below:

All amounts in TEUR	Q1 2016A
Beginning balance	4,961,845
Deconsolidations (see 2.2)	-1,818
Currency translation adjustments	46,019
Additions	3,963
Disposals	-56,298
Revaluation	-3,478
Reclassifications	2,220
Reclassification IFRS 5 (see 4.5)	-77,930
Ending balance	4,874,523

4.2 PROPERTY UNDER CONSTRUCTION

The development of the properties under construction during the first quarter of 2016A is as follows:

All amounts in TEUR	Q1 2016A
Beginning balance	410,043
Currency translation adjustments	-58
Additions	28,195
Revaluation	-5,031
Reclassifications	466
Reclassification IFRS 5 (see 4.5)	-10,845
Ending balance	422,770

4.3 EQUITY-ACCOUNTED INVESTMENTS

The following table shows the development of the equity-accounted investments:

All amounts in TEUR	BUWOG Group	Bulreal EAD	NP Invest-ments a.s.	Other	Total
Interest held by IMMOFINANZ	10.000%	49.000%	50.000%		
Beginning balance	461,095	6,290	0	26,718	494,103
Disposals	-313,722	0	0	0	-313,722
Net profit or loss from equity-accounted investments	21,082	416	-658	345	21,185
Other comprehensive income from currency translation adjustment	0	0	-4	-33	-37
Other comprehensive income from measurement of defined benefit plans	81	0	0	0	81
Offset of results with other net investment positions	0	0	662	-118	544
Dividend	0	0	0	-107	-107
Ending balance	168,536	6,706	0	26,805	202,047

IMMOFINANZ sold 18.5 million shares of BUWOG AG for a total price of EUR 358.7 million during the first quarter of 2016A. After the deduction of EUR 10.7 million transaction costs, the gain on the sale amounted to EUR 34.1 million; it is reported under net profit or loss from equity-accounted investments. As of 31 July 2016, IMMOFINANZ still held an investment of 10% in BUWOG. IMMOFINANZ was represented on the Supervisory Board of BUWOG AG as of 31 July 2016 through two members who were elected with the support of its voting

rights and, in spite of the reduced investment, significant influence in the sense of IAS 28 is still considered to exist.

4.4 TRADE AND OTHER RECEIVABLES

All amounts in TEUR	31 7 2016	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 4 2016
Rents receivable	23,448	23,228	220	0	21,839
Miscellaneous	25,347	22,596	2,751	0	24,792
Total trade accounts receivable	48,795	45,824	2,971	0	46,631
Receivables due from associates	9,661	218	7,679	1,764	9,893
Receivables due from joint ventures	46,633	10,758	33,805	2,070	45,980
Receivables due from equity-accounted investments	56,294	10,976	41,484	3,834	55,873
Restricted funds	140,218	9,109	100,209	30,900	135,823
Financing	20,096	2,772	1,922	15,402	20,701
Property management	4,074	4,010	19	45	5,211
Outstanding purchase price receivables – sale of properties	38,288	38,288	0	0	4,668
Outstanding purchase price receivables – sale of shares in other companies	44,957	8,199	36,758	0	44,894
Miscellaneous	37,755	29,639	7,418	698	36,060
Total other financial receivables	285,388	92,017	146,326	47,045	247,357
Tax authorities	33,580	30,423	1,754	1,403	82,506
Miscellaneous	4,762	0	0	4,762	0
Total other non-financial receivables	38,342	30,423	1,754	6,165	82,506
Total	428,819	179,240	192,535	57,044	432,367

The decline in other non-financial receivables due from taxation authorities resulted primarily from the reimbursement of input VAT in Russia during the first quarter of 2016A.

Miscellaneous non-financial receivables consist entirely of transaction costs for the purchase of a 26% investment in CA Immobilien Anlagen AG (see section 8).

4.5 ASSETS AND SPECIFIC LIABILITIES HELD FOR SALE

Of the assets and liabilities classified as held for sale as of 30 April 2016, one Bulgarian standing investment and two Austrian residential properties were sold during the first quarter of 2016A. With regard to the sales that have not yet been realised, management's intention to sell these properties remains intact.

One residential property and four office properties in Austria, eight standing investments and one undeveloped site in Germany and one development project in Romania were classified as held for sale during the first quarter of 2016A. Of the eight German standing investments, seven are attributable to the asset class office and one to the asset class other. The undeveloped site is assigned to the asset class office and the development project in Romania to the asset class retail.

The properties initially classified as held for sale in the first quarter of 2016A will be sold through asset deals and reflect IMMOFINANZ's focus on a portfolio adjustment strategy.

Details on the assets and liabilities classified as held for sale as of 31 July 2016 are provided below:

All amounts in TEUR	Logistics portfolio	EMPARK	Other	Carrying amount as of 31 7 2016	Carrying amount as of 30 4 2016
Investment property	29,159	147,372	124,316	300,847	224,881
Property under construction	27,278	0	10,845	38,123	25,035
Deferred tax assets	0	2,351	0	2,351	1,792
Trade and other receivables	4,687	5,343	40,196	50,226	52,810
Other financial assets	0	25	11,294	11,319	11,500
Cash and cash equivalents	1,636	6,366	513	8,515	7,140
Assets held for sale	62,760	161,457	187,164	411,381	323,158
Financial liabilities	0	118,337	39,640	157,977	164,403
Trade and other payables	5,395	6,603	4,715	16,713	14,836
Provisions	7	755	616	1,378	892
Deferred tax liabilities	0	0	4,204	4,204	4,259
Liabilities held for sale	5,402	125,695	49,175	180,272	184,390

Details on the discontinued logistics portfolio are provided in section 2.2. The assets and liabilities not yet transferred to Blackstone include a standing investment in Poland and two development projects in Hamburg and in Bucharest. The two development projects will be sold in the form of a share deal, while the standing investment in Poland will be sold as an asset deal. The closings are expected to take place by 15 October 2016 at the latest.

A resolution of the Executive Board on 4 May 2015 led to the reclassification of a portfolio of land reserves in Turkey from the other non-core countries segment to assets and liabilities held for sale. Since the negotiations with the original parties were terminated, the sale did not take place within 12 months as originally planned. However, IMMOFINANZ's management stands by its intention to sell this portfolio. Plans call for the sale to take the form of a share deal. Based on the current sale negotiations, an impairment loss of EUR 0.4 million was recognised to this disposal group in the first quarter of 2016A and is reported on the consolidated income statement under the revaluation of properties sold and held for sale resulting from foreign exchange effects.

An impairment loss of EUR 0.3 million was recognised to the disposal group comprising the *EMPARK Mokotów Business Park*. This impairment loss is reported under the revaluation of properties sold and held for sale adjusted for foreign exchange effects.

4.6 SHARE CAPITAL

The Executive Board of IMMOFINANZ AG plans to make a proposal to the 23rd annual general meeting on 29 September 2016, calling for a basic dividend of EUR 0.06 per share for the 2015/16 financial year.

Other comprehensive income includes EUR 4.1 million (Q1 2015/16: EUR -51.6 million) attributable to the shareholders of IMMOFINANZ AG and EUR -1.5 million (Q1 2015/16: EUR 0.5 million) attributable to non-controlling interests. The other comprehensive income attributable to non-controlling interests resulted entirely from currency translation differences.

4.7 LIABILITIES FROM CONVERTIBLE BONDS

As of 31 July 2016, IMMOFINANZ had two convertible bonds with a nominal value of EUR 529.9 million outstanding. This amount remains unchanged compared with the previous year.

All amounts in TEUR	31 7 2016	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 4 2016
Convertible bond 2007-2017	26,122	186	25,936	0	25,718
Convertible bond 2011-2018	502,050	8,535	493,515	0	494,516
Total	528,172	8,720	519,451	0	520,234

4.8 FINANCIAL LIABILITIES

The following table shows the composition and classification of financial liabilities by remaining term as of 31 July 2016:

All amounts in TEUR	31 7 2016	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 4 2016
Amounts due to financial institutions	2,759,112	452,742	1,505,883	800,487	2,670,316
Thereof secured by collateral	2,758,822	452,452	1,505,883	800,487	2,670,237
Thereof not secured by collateral	290	290	0	0	79
Liabilities arising from the issue of bonds	100,162	100,162	0	0	104,030
Other financial liabilities	1,571	682	0	889	1,577
Total	2,860,845	553,586	1,505,883	801,376	2,775,923

4.9 TRADE AND OTHER PAYABLES

All amounts in TEUR	31 7 2016	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 4 2016
Trade payables	104,980	103,124	1,820	36	100,991
Derivative financial instruments (liabilities)	59,712	28,981	15,974	14,757	47,154
Property management	3,080	3,080	0	0	2,795
Amounts due to non-controlling interests	6,308	0	262	6,046	3,870
Amounts due to associated companies	465	444	0	21	814
Amounts due to joint ventures	24,181	22,951	21	1,209	24,050
Deposits and guarantees received	36,950	7,010	16,304	13,636	35,515
Prepayments received on apartment sales	33,629	32,313	1,316	0	35,215
Construction and refurbishment	7,439	7,362	77	0	7,493
Outstanding purchase prices (share deals)	804	757	47	0	819
Outstanding purchase prices (acquisition of properties)	2,171	2,171	0	0	4,330
Miscellaneous	13,796	11,259	1,403	1,134	17,073
Total other financial liabilities	188,535	116,328	35,404	36,803	179,128
Tax authorities	17,852	17,852	0	0	23,240
Rental and lease prepayments received	25,163	24,306	857	0	23,498
Miscellaneous	62	39	8	15	25
Total non-financial liabilities	43,077	42,197	865	15	46,763
Total	336,592	261,649	38,089	36,854	326,882

5. Notes to the Consolidated Income Statement

5.1 RENTAL INCOME

The following table shows the classification of rental income by asset class:

All amounts in TEUR	Q1 2016A	Q1 2015/16
Office	28,255	25,040
Retail	43,784	48,334
Other	4,774	8,804
Total	76,813	82,178

5.2 EXPENSES FROM INVESTMENT PROPERTY

All amounts in TEUR	Q1 2016A	Q1 2015/16
Vacancies	-3,536	-4,539
Commission expenses	-346	-103
Maintenance	-6,246	-2,973
Operating costs charged to building owners	-4,247	-8,403
Property marketing	-1,376	-1,915
Personnel expenses from asset management	-2,288	-2,581
Other expenses from asset management	-610	-751
Rental and lease payments	-1,217	-1,349
Extension costs	-1,491	-665
Write-off of receivables from asset management	-2,731	-7,077
Other expenses	-1,420	-1,941
Total	-25,508	-32,297

The increase in maintenance expenses is attributable primarily to the *Business Park Vienna* and the *City Tower Vienna*. The reduction in operating costs charged to building owners resulted, in particular, from a decrease in property taxes.

The write-downs of receivables from asset management in the first quarter of 2015/16 were related chiefly to valuation allowances and the write-downs of rents receivable in the *Golden Babylon Rostokino* and *GOODZONE* shopping centers.

5.3 RESULTS OF PROPERTY SALES

The results from the sale of properties in the form of asset deals were generated primarily in the Austria segment during the first quarter of 2016A. Of these results, EUR 48.2 million (Q1 2015/16: EUR 29.1 million) are attributable to office properties in Austria, EUR 0.6 million (Q1 2015/16: EUR 8.3 million) to retail properties in Austria and EUR 4.3 million (Q1 2015/16: EUR 90.4 million) to Austrian standing investments assigned to the asset class other.

5.4 OTHER OPERATING INCOME

Other operating income comprises the following items:

All amounts in TEUR	Q1 2016A	Q1 2015/16
Expenses charged on	104	222
Insurance compensation	253	41
Income from derecognised liabilities	58	665
Reimbursement for penalties	175	219
Miscellaneous	3,473	7,185
Total	4,063	8,332

Miscellaneous other operating income in the first quarter of 2015/2016 resulted, in particular, from the elimination of tax liabilities for the Romanian Adama based on a tax amnesty law enacted on 20 July 2015.

5.5 OTHER OPERATING EXPENSES

Other operating expenses consist of the following:

All amounts in TEUR	Q1 2016A	Q1 2015/16
Administrative expenses	-144	-144
Legal, auditing and consulting fees	-3,031	-2,327
Penalties	-271	-247
Levies	-409	-549
Advertising	-294	-282
Expenses charged on	-121	-292
Rental and lease expenses	-195	-318
EDP and communications	-572	-546
Expert opinions	-207	-259
Personnel expenses	-5,956	-5,582
Other write-downs	-333	-849
Miscellaneous	-1,086	-1,560
Total	-12,619	-12,955

5.6 REVALUATION OF PROPERTIES ADJUSTED FOR FOREIGN EXCHANGE EFFECTS AND REVALUATION OF PROPERTIES RESULTING FROM FOREIGN EXCHANGE EFFECTS

The following table shows the revaluation gains and losses resulting from the revaluation of properties adjusted for and resulting from foreign exchange effects. Detailed information on the regional distribution of revaluation gains and losses is provided under segment reporting.

All amounts in TEUR	Revaluation gains	Revaluations adjusted for foreign exchange effects		Revaluations resulting from foreign exchange effects			Q1 2016A
		Revaluation losses	Total	Revaluation gains	Revaluation losses	Total	Revaluation Total
Investment property	1,370	-5,726	-4,356	204	-6,996	-6,792	-11,148
Property under construction	25	-366	-341	57	1	58	-283
Properties sold and held for sale	8,037	-6,600	1,437	1,384	0	1,384	2,821
Total	9,432	-12,692	-3,260	1,645	-6,995	-5,350	-8,610

All amounts in TEUR	Revaluations adjusted for foreign exchange effects			Revaluations resulting from foreign exchange effects			Q1 2015/16
	Revaluation gains	Revaluation losses	Total	Revaluation gains	Revaluation losses	Total	Revaluation Total
Investment property	55,347	-1,971	53,376	184,839	-1	184,838	238,214
Property under construction	851	-564	287	-1	-3	-4	283
Properties sold and held for sale	3,230	-125	3,105	0	-482	-482	2,623
Total	59,428	-2,660	56,768	184,838	-486	184,352	241,120

5.7 FINANCIAL RESULTS

All amounts in TEUR	Q1 2016A	Q1 2015/16
For financial liabilities FLAC	-36,431	-39,487
For derivative financial instruments	-2,945	-4,386
Total financing costs	-39,376	-43,873
For financial receivables L&R	2,140	3,934
For derivative financial instruments	9	9
Total financing income	2,149	3,943
Foreign exchange differences	11,854	-92,952
Profit or loss on other financial instruments and proceeds on the disposal of financial instruments	-18,249	24,504
Valuation of financial instruments at fair value through profit or loss (fair value option)	411	-8,203
Distributions	1,129	281
Write-off of receivables	-2,309	-5,980
Other financial results	-19,018	10,602
Net profit or loss from equity-accounted investments	55,305	15,506
Total	10,914	-106,774

FLAC: financial liabilities measured at amortised cost

L&R: loans and receivables at amortised cost, miscellaneous other financial instruments at cost

The foreign exchange differences resulted chiefly from the valuation of loans in US Dollars and Group financing for the Russian subsidiaries in Euros.

Profit or loss on other financial instruments and proceeds on the disposal of financial instruments consist chiefly of the results from the measurement of derivatives. Of the total amount, EUR -8.9 million (Q1 2015/16: EUR 21.2 million) is attributable to standalone derivatives from the convertible bond 2011-2018 and EUR -9.9 million (Q1 2015/16: EUR 3.1 million) to other derivatives.

For information on the gains or losses from equity-accounted investments, see section 4.3.

6. Information on Financial Instruments

6.1 CLASSES AND CATEGORIES OF FINANCIAL INSTRUMENTS

The following table shows the carrying amount and fair value of each class of financial assets and financial liabilities defined by the company and reconciles these amounts to the appropriate balance sheet line items.

	Carrying amount of financial assets	Carrying amount of non-financial assets	Total carrying amount	Total carrying amount	Total fair value	Total fair value
All amounts in TEUR	31 7 2016	31 7 2016	31 7 2016	30 4 2016	31 7 2016	30 4 2016
Trade accounts receivable	48,795	0	48,795	46,631	48,795	46,631
Financing receivables	76,390	0	76,390	76,574	76,390	76,574
Loans and other receivables	265,292	38,342	303,634	309,162	303,634	309,162
Trade and other receivables	390,477	38,342	428,819	432,367	428,819	432,367
Real estate fund shares	7,932	0	7,932	8,405	7,932	8,405
Miscellaneous other financial instruments	5,080	0	5,080	5,705	5,080	5,705
Other financial assets	13,012	0	13,012	14,110	13,012	14,110
Cash and cash equivalents	795,243	0	795,243	371,622	795,243	371,622
Total assets	1,198,732	38,342	1,237,074	818,099	1,237,074	818,099

Non-FI: non-financial assets/liabilities

	Carrying amount of financial assets	Carrying amount of non-financial liabilities	Total carrying amount	Total carrying amount	Total fair value	Total fair value
All amounts in TEUR	31 7 2016	31 7 2016	31 7 2016	30 4 2016	31 7 2016	30 4 2016
Liabilities from convertible bonds	528,171	0	528,171	520,234	551,305	546,575
Bonds	100,162	0	100,162	104,030	103,290	108,251
Amounts due to financial institutions	2,759,112	0	2,759,112	2,670,316	2,753,230	2,653,841
Other financial liabilities	1,571	0	1,571	1,577	1,571	1,577
Financial liabilities	2,860,845	0	2,860,845	2,775,923	2,858,091	2,763,669
Trade payables	104,980	0	104,980	100,991	104,980	100,991
Derivatives	59,712	0	59,712	47,154	59,712	47,154
Miscellaneous other liabilities	128,823	43,077	171,900	178,737	171,900	178,737
Trade and other payables	293,515	43,077	336,592	326,882	336,592	326,882
Total equity and liabilities	3,682,531	43,077	3,725,608	3,623,039	3,745,988	3,637,126

Non-FI: non-financial assets/liabilities

6.2 HIERARCHY OF FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE

All of the financial instruments measured at fair value are classified under level 3 on the IFRS 13 measurement hierarchy.

All amounts in TEUR	31 7 2016	30 4 2016
Financial assets available for sale		
Real estate fund shares	1,203	1,864
Financial assets at fair value through profit or loss		
Fair value option		
Real estate fund shares	6,729	6,541
Financial liabilities at fair value through profit or loss		
Held for trading		
Derivatives	59,712	47,154

The following table shows the reconciliation of the opening and closing balances of the financial instruments classified under level 3:

All amounts in TEUR	Real estate fund shares	Derivatives	Total
	Q1 2016A	Q1 2016A	Q1 2016A
Beginning balance	8,405	-47,154	-38,749
Recognised on the income statement	368	-18,824	-18,456
Disposals	-841	6,266	5,425
Ending balance	7,932	-59,712	-51,780

The above table includes results of EUR -18,5 million that were recognised in the consolidated income statement. Of this total, EUR -18.4 million are attributable to financial instruments that were held at the end of the first quarter of 2016A. These amounts are presented under other financial results.

Valuation procedures and input factors used to determine the fair value of financial instruments

Level	Financial instruments	Valuation method	Major input factors	Major non-observable input factors
3	Real estate fund shares	Net present value methods	Discount rate, expected principal repayments and dividends	Discount rate: 9.30% to 13.80%
3	Derivatives (interest rate swaps)	Net present value methods	Interest rate curves observable on the market, probability of default, loss given default, exposure at default	Credit margin: 1.75% to 3.75%
3	Derivatives (from convertible bonds)	Capital market and net present value methods	Market prices of convertible bonds, interest rate curves observable on the market, probability of default, loss given default, exposure at default	Credit margin: 3.34%

Additional details on the valuation procedures and input factors are provided in note 7. to the consolidated financial statements as of 30 April 2016.

7. Transactions with Related Parties

Business transactions with equity-accounted investments led to the following amounts in the consolidated interim financial statements of IMMOFINANZ for the first quarter of 2016A:

All amounts in TEUR	31 7 2016	30 4 2016
Relations with joint ventures		
Receivables	46,633	45,980
Thereof allowance for bad debt	-28,751	-28,400
Liabilities	24,182	24,050
Relations with associated companies		
Receivables	9,660	9,893
Thereof allowance for bad debt	-4,936	-4,443
Liabilities	465	815
All amounts in TEUR		
	Q1 2016A	Q1 2015/16
Relations with joint ventures		
Other income	3	4
Interest income	879	2,198
Interest expense	-131	-117
Write-downs for bad debt	-569	-8,626
Thereof results that increase or reduce the net investment	-132	-2,359
Income taxes	977	1,418
Relations with associated companies		
Other income	520	155
Other expenses	-1,971	-2,157
Interest income	159	390
Interest expense	0	-1,221
Write-downs for bad debt	-539	-257
Thereof results that increase or reduce the net investment	-138	140
Income taxes	31	-5

As of 1 July 2016, 7.3% of the shares in IMMOFINANZ Friesenquartier GmbH and IMMOFINANZ Friesenquartier II GmbH were sold to the BUWOG Group. The shares in both of these subsidiaries are pledged fully to the financing bank. A contractual agreement releases the BUWOG Group from all obligations resulting from these pledges and from any further liabilities free of charge.

The shares in Immofinanz Center Management Slovak Republik s.r.o. were sold to the equity-accounted EHL Group in the first quarter of 2016A.

There were no reportable transactions between IMMOFINANZ and related persons during the first quarter of 2016A.

8. Subsequent Events

IMMOFINANZ purchased 25,690,163 bearer shares and four registered shares of CA Immobilien Anlagen AG for a total price of EUR 603.7 million on 2 August 2016. On that same day, IMMOFINANZ AG, as the new core shareholder of CA Immobilien Anlagen AG, recalled the Supervisory Board members delegated by the former registered shareholders and delegated Oliver Schumy (CEO) and Stefan Schönauer (CFO) to the Supervisory Board, both effective immediately and until further notice. The acquisition of this investment, which will be accounted for at equity, and the delegation of two members to the Supervisory Board represent the first steps towards the full merger of these two property companies.

Statement by the Executive Board

We confirm to the best of our knowledge that these consolidated interim financial statements of IMMOFINANZ as of 31 July 2016, which were prepared in accordance with the rules for interim financial reporting defined by International Financial Reporting Standards (IFRS), give a true and fair view of the assets, liabilities, financial position and profit or loss of the group and that the group management report gives a true and fair view of important events that occurred during the first three months of the abbreviated financial year and their impact on these consolidated interim financial statements as well as of the principal risks and uncertainties for the remaining five months of the abbreviated financial year.

Vienna, 19 September 2016

The Executive Board of IMMOFINANZ AG



Oliver Schumy CEO



Stefan Schönauer CFO



Dietmar Reindl COO

FINANCIAL CALENDAR 2016 AND 2017

The 22nd annual general meeting in December 2015 approved a change in IMMOFINANZ's financial year to correspond with the calendar year. The 2016 financial year will therefore represent an abbreviated financial year from 1 May 2016 to 31 December 2016. As of 1 January 2017, the IMMOFINANZ financial year will correspond to the calendar year.

29 September 2016	23rd annual general meeting
30 September 2016	Expected ex-dividend date ¹
3 October 2016	Expected record date for the determination of dividend rights ¹
4 October 2016	Expected dividend payment date ¹
19 December 2016	Announcement of results for the first half of 2016 (after the close of trading)
20 December 2016	Report on the first half of 2016
6 April 2017	Announcement of results for 2016 (after the close of trading)
7 April 2017	Press conference on results for 2016
7 April 2017	Annual report 2016
22 May 2017	Record date for participation in the 24th annual general meeting
1 June 2017	24th annual general meeting
2 June 2017	Expected ex-dividend date ¹
5 June 2017	Expected record date for the determination of dividend rights ¹
6 June 2017	Expected dividend payment date ¹

¹ This information is preliminary and will be confirmed at a later date.

IMPRINT

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Disclaimer

We have prepared this report and verified the data herein with the greatest possible caution. However, errors arising from rounding, transmission, typesetting or printing cannot be excluded. This report contains assumptions and forecasts that were based on information available at the time this report was prepared. If the assumptions underlying these forecasts are not realised, actual results may differ from the results expected at the present time. Automatic data processing can lead to apparent mathematical errors in the rounding of numbers or percentage rates. This report is published in German and English, and can be downloaded from the investor relations section of the IMMOFINANZ website. In case of doubt, the German text represents the definitive version. This report does not represent a recommendation to buy or sell shares in IMMOFINANZ AG.

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

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